



Research Paper

An Assessment of Institutional Framework and Key Skill Development Initiatives for MSMEs in India

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ABSTRACT

The Micro, Small and Medium Enterprises (MSME) sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. It contributes significantly in the economic and social development of the country by fostering entrepreneurship and generating largest employment opportunities at comparatively lower capital cost, next only to agriculture. In India, the MSME sector is a major job creator. A skill gap study has been conducted by NSDC over 2010-2014, which indicate that there is an additional net incremental requirement of 109.73 million skilled manpower by 2022 in twenty-four key sector. The present paper attempts to review the institutional framework for MSME sector in India along with highlighting various skill development initiatives undertaken by government.

KEYWORD(S): Micro, small & medium enterprises (MSME), Skill Development, Institution.

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I. INTRODUCTION

The Micro, Small and Medium Enterprises (MSME) sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. It contributes significantly in the economic and social development of the country by fostering entrepreneurship and generating largest employment opportunities at comparatively lower capital cost, next only to agriculture. MSMEs are complementary to large industries as ancillary units and this sector contributes significantly in the inclusive industrial development of the country. The MSMEs are widening their domain across sectors of the economy, producing diverse range of products and services to meet demands of domestic as well as global markets. In India, the MSME sector is a major job creator. The informal or unorganized sector also plays a role in job creation particularly for poor and marginalized communities (Anup, 2015). According to the former Prime Minister Dr. Manmohan Singh, "The key to our success in employment lies in the success of manufacturing in the small-scale sector". The Micro, Small & Medium Enterprises (MSMEs) have been contributing significantly to the expansion of entrepreneurial endeavors through business innovations.

Table 1. MSME classification among manufacturing and service sector
Revised Classification applicable w.e.f 1st July 2020

	Manufacturing Sector and Service Sector (No distinction)	
	Investment in Plant & Machinery	Turnover Limits
Micro Enterprise	Less than 1 Crore	Less than 5 Crore
Small Enterprise	Less than 10 Crore	Less than 50 Crore
Medium Enterprise	Less than 20 Crore	Less than 100 Crore

Source: Ministry of MSME, Govt of India.

1.1 MSME- The Backbone of Indian Economy

The MSMEs in India are playing a crucial role by providing large employment opportunities at comparatively lower capital cost than large industries as well as through industrialization of rural & backward areas, inter alia, reducing regional imbalances, assuring more equitable distribution of national income and wealth.

Table No.2 Number of MSMEs (Activity Wise)

Activity Category	Estimated Number of Enterprises (in lakh)			Share %
	Rural	Urban	Total	
Manufacturing	114.14	82.50	196.65	31
Electricity*	0.03	0.01	0.03	-
Trade	108.71	121.64	230.35	36
Other services	102.00	104.85	206.85	33
All	324.88	309.00	633.88	100

*Non-captive electricity generation and transmission

Source: MSME Annual Report (2019-20)

As per the National Sample Survey (NSS) 73rd round, conducted by National Sample Survey Office, Ministry of Statistics & Program Implementation during the period 2015-16, there were 633.88 lakh unincorporated non-agricultural MSMEs in the country engaged in different economic activities (196.65 lakh in Manufacturing, 0.03 lakh in Non-captive Electricity Generation and Transmission, 230.35 lakh in Trade and 206.85 lakh in Other Services) excluding those MSMEs registered under

(a) Sections 2m(i) and 2m(ii) of the Factories Act, 1948;

(b) Companies Act, 1956 and

(c) construction activities falling under Section F of National Industrial Classification (NIC) 2008. The contribution of the MSME sector to India's GDP remained stagnant around 30% in recent years. As per SIDBI annual report (2019-20) MSMEs Contribute 30.3% of the national GDP during FY 2019 and Contribute 49.81% of all India exports in the first three quarters of FY 2020.

Table 3. State-Wise Distribution of Estimated Number of MSMEs

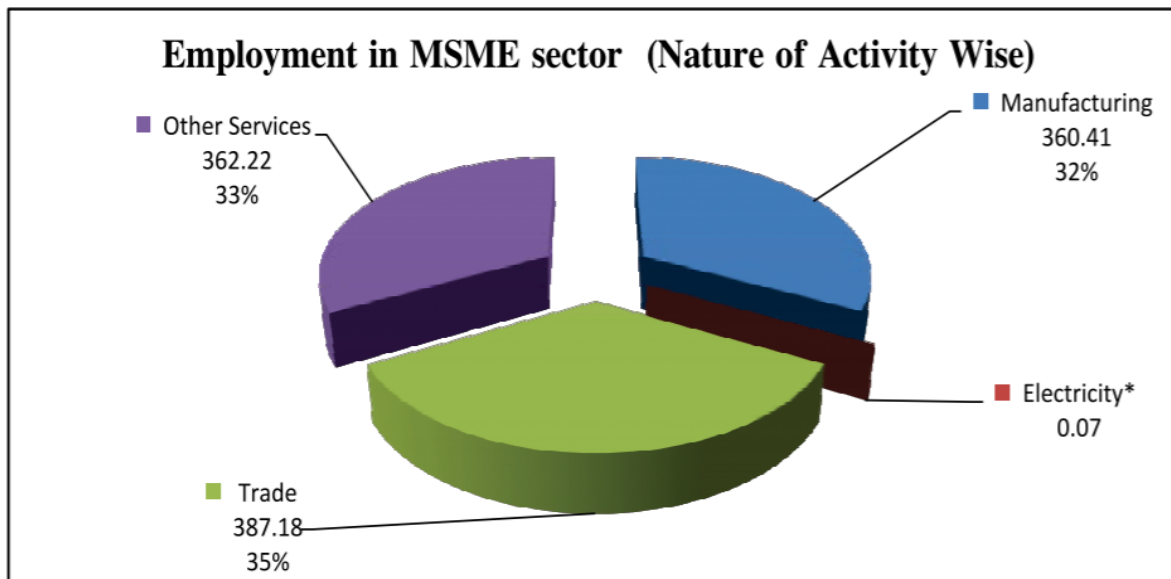
Sr. No	State/UT	Estimated Number of Enterprises (number in lakhs)			
		Micro	Small	Medium	MSMEs
1	Andhra Pradesh	33.74	0.13	0.00	33.87
2	Arunachal Pradesh	0.22	0.00	0.00	0.23
3	Assam	12.10	0.04	0.00	12.14
4	Bihar	34.41	0.04	0.00	34.46
5	Chhattisgarh	8.45	0.03	0.00	8.48
6	Delhi	9.25	0.11	0.00	9.36
7	Goa	0.70	0.00	0.00	0.70
8	Gujarat	32.67	0.50	0.00	33.16
9	Haryana	9.53	0.17	0.00	9.70
10	Himachal Pradesh	3.86	0.06	0.00	3.92
11	Jammu & Kashmir	7.06	0.03	0.00	7.09
12	Jharkhand	15.78	0.10	0.00	15.88
13	Karnataka	38.25	0.09	0.00	38.34
14	Kerala	23.58	0.21	0.00	23.79
15	Madhya Pradesh	26.42	0.31	0.01	26.74
16	Maharashtra	47.60	0.17	0.00	47.78
17	Manipur	1.80	0.00	0.00	1.80
18	Meghalaya	1.12	0.00	0.00	1.12
19	Mizoram	0.35	0.00	0.00	0.35
20	Nagaland	0.91	0.00	0.00	0.91
21	Odisha	19.80	0.04	0.00	19.84
22	Punjab	14.56	0.09	0.00	14.65
23	Rajasthan	26.66	0.20	0.01	26.87
24	Sikkim	0.26	0.00	0.00	0.26
25	Tamil Nadu	49.27	0.21	0.00	49.48
26	Telangana	25.94	0.10	0.01	25.05
27	Tripura	2.11	0.01	0.00	2.11

28	Uttar Pradesh	89.64	0.36	0.00	89.99
29	Uttarakhand	4.14	0.02	0.00	4.17
30	West Bengal	88.41	0.026	0.01	88.67
31	A&N Island	0.19	0.00	0.00	0.19
32	Chandigarh	0.56	0.00	0.00	0.56
33	Dadra & Nagar Haveli	0.15	0.01	0.00	0.16
34	Daman & Diu	0.08	0.00	0.00	0.08
35	Lakshadweep	0.02	0.00	0.00	0.02
36	Puducherry	0.96	0.00	0.00	0.96
All		630.52	3.31	0.05	633.88

Source: Ministry of MSMEs Annual Report 2018-19

Uttar Pradesh had the largest number of estimated MSMEs with a share of 14.20% (89.99 lakhs) of MSMEs in the country. Uttar Pradesh (89.9 lakhs), West Bengal (88.67 lakhs), Tamil Nadu (49.48 lakhs), Maharashtra (47.78 lakhs), Karnataka (38.34 lakhs), Bihar (34.46 lakhs), Andhra Pradesh (33.87 lakhs), Gujarat (33.16 lakhs), Rajasthan (26.87 lakhs), Madhya Pradesh (26.74 lakhs) are the top 10 States accounted for a share of 74.05% of the total estimated number of MSMEs in the country.

Table 3: Employment in MSME sector (Nature of Activity wise)



SOURCE: MSME ANNUAL REPORT (2019-20)

As per the National Sample Survey (NSS) 73rd round conducted during the period 2015-16, MSME sector has been creating 11.10 crore jobs (360.41 lakh in Manufacturing, 0.07 lakh in Non-captive Electricity Generation and Transmission, 387.18 lakh in Trade and 362.22 lakh in Other Services) in the rural and the urban areas across the country

Table 4. Employment by type of Enterprises in Rural and Urban Areas (Numbers in lakh)

Sector	Micro	Small	Medium	Total	Share %
Rural	489.30	7.88	0.60	497.78	45
Urban	586.88	24.06	1.16	612.10	55
All	1076.19	31.95	1.75	1109.89	100

Source: MSME Annual Report (2019-20)

Micro sector with 630.52 lakh estimated enterprises provided employment to 1076.19 lakh persons that in turn 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 provided employment to 31.95 lakh (2.88%) and 1.75 lakh (0.16%) persons of total employment in MSME sector.

1.2 Relief Measure Announced by government for MSMEs during COVID-19 Crisis.

The Government of India has announced relief package with following details:

- Collateral-free automatic loans of 3 lakh crore to businesses including MSMEs, estimated to benefit approximately 45 lakh MSMEs. The MSMEs with a turnover of up to Rs.100 crore and with an outstanding credit of up to Rs.25 crore will be eligible to borrow up to 20% of their total outstanding credit as on February 29, 2020. These loans have tenure of four years and a moratorium of 12 months on the principal payment. The scheme has been made available till 31 October 2020. (Sipahi, 2020)
- Subordinate debt of 20,000 crore for stressed MSMEs, aimed to benefit approximately 2 lakh MSMEs. A sum of Rs. 20,000 crores will be channelized through the Credit Guarantee Fund Trust for Micro and Small enterprises (CGTMSE). Through this scheme the banks will lend funds to the promoters which can be utilised as equity in their enterprises. The CGTMSE will give a partial credit guarantee to the banks. (Sipahi, 2020)
- Equity infusion of 50,000 crore in MSMEs through Fund of Funds with 10,000 crore corpus. It will be operated through a mother fund and a few daughter funds to increase the capacity as well as size of MSMEs.
- Tenders up to 200 crores not to be made global, to support Make in India. The foreign companies who are far ahead in size and strength thus become a threat to our home companies. This will help MSMEs to cope up during the crises of COVID.
- Promote e-market linkages in the MSME sector to substitute/phase out physical trade fairs and exhibitions.
- For workers not eligible for PMGKP, 6,750 crore liquidity support towards reducing EPF contribution for businesses and workers. The government declared a proposal that EPF (employee provident fund) contribution of both employer and employee i.e., 12% will be reduced to 10% for March, April and May months aiming to increase the cash take away home. Now, the scheme has extended to further three months i.e., June, July and August and expecting a benefit of 4.3 crore people and 6.5 lakh business units. (Dubey and Sahu, 2020)
- 5,000 crores towards providing working capital facility to street vendors under PM SVANIDHI Yojana.

II. LITERATURE REVIEW

There are many national and state level financing institutions are existing to promote MSMEs but these institutions are concentrated in urban areas, but majority of the MSMEs are located in Rural areas. Micro, Small and Medium Enterprises are having ample of sources to obtain finance at national level and state level as well (Partha, 2014). The rising skill gap is a problem and by 2022 India may be out of skill labour forces even if it has adequate supply of manpower. A human resource without having adequate skills becomes unemployable. The concern is not related to education which they are acquiring at various stages. It is basically related to quality of education and association of technical aspects which sometimes missing from the system (Patnaik, et al. 2015). They concludes by arguing that the continuous creation of new skills strategies, new initiatives, new (and at times misleading) names and labels in recent years has added to an apparent state of confusion among small and medium- sized companies and their employees (Taylor, et al 2000). SMEs in India face a number of problems - absence of adequate and timely banking finance, non-availability of suitable technology, ineffective marketing due to limited resources and non-availability of skilled manpower. The Micro, Small and Medium Enterprises (MSME) sector contributes significantly to manufacturing output, employment and exports of the country (Dey, 2014). In India, the MSME sector is the second largest manpower employer, after agriculture and the output from this sector alone constitutes 40 percent share of the value added in the manufacturing sector and one third of national exports (Deepali, 2012).

III. OBJECTIVES OF THE STUDY

The present paper intends to-

- Understand the institutional framework for MSMEs sector in India.
- Review the employment opportunities and skill development initiatives for MSMEs in India.

IV. INSTITUTIONAL FRAMEWORK FOR THE GROWTH OF SMES SECTOR

The present section elaborates the agencies, centres and ministerial departments which plays a significant role in organising the institutional set up for MSMEs in India. Prominent among them are: -

4.1 Khadi Village Industries Commission (KVIC)

The Khadi and Village Industries Commission (KVIC) is a statutory body formed by the Government of India, under the Act of Parliament, Khadi and Village Industries Commission Act of 1956. It is an apex organization under the Ministry of Micro, Small and Medium Enterprises, with regard to khadi and Village industries within India, which seeks to – “plan, promote, facilitate, organize and assist in the establishment and

development of Khadi and Village Industries in the rural areas in coordination with other agencies engaged in rural development wherever necessary”. KVIC is tasked with the role of promoting the production and sale of Khadi. Over 2,701 Khadi Institutions form the vast network and are implementing the programmes of KVIC in India. Nearly 4.96 Lakh people are engaged in this activity. Out of which, over 80 percent are women Artisans. Khadi sector Employment has grown from 4.96 Lakh Khadi Artisans in 2018-19 to 4.98 Lakh Khadi Artisans in 2019-20.

4.2 Technology Centres

The Technology Centers Earlier known as Tool Rooms & Technical Development Centres set up by the Ministry of MSME play a crucial role in providing practical skill development training to more than 2 lakh unemployed youth and industry workforce per year. In the year 2018-19, 18 Technology Centers set up across the country have provided training to 208174 trainees, supported 39859 units and earned revenue of Rs 318.82 crore.

4.3 Coir Board

The Coir Board is a statutory body established under the Coir Industry Act, 1953 for promoting the overall development of the coir industry and improvement of the living conditions of the workers engaged in this traditional industry. India is the largest coir producer in the world accounting for more than 80 per cent of the total world production of coir fiber. The coir sector in India is very diverse and involves households, co-operatives, NGOs, manufacturers and exporters. This is the best example of producing beautiful artefacts, handicrafts and utility products from coconut husks which is otherwise a waste. The coir industry employs about 7.30 lakh persons of whom a majority are from rural areas belonging to the economically weaker sections of society. Nearly 80% of the coir workers in the fiber extraction and spinning sectors are women. The Coir Board is tasked with promoting the overall development of the coir industry and improvement of the living conditions of the workers engaged in this traditional industry.

4.4 National Small Industries Corporation Limited (NSIC)

The National Small Industries Corporation Ltd. (NSIC) is a Government of India Enterprise under Ministry of Micro, Small and Medium Enterprises (MSME). NSIC has been working to promote, aid and foster the growth of micro, small and medium enterprises in the country. It is a profit-making dividend paying company. The mission of NSIC is “to promote and support Micro, Small and Medium Enterprises by providing integrated support services encompassing, Marketing, Finance, Technology and other Services.”. The vision of NSIC is “to be premier organization fostering the growth of Micro, Small and Medium Enterprises in the country”.

4.5 Mahatma Gandhi Institute of Rural Industrialisation (MGIRI)

The Jannalal Bajaj Central Research Institute (JBCRI), Wardha was revamped with the help of Indian Institute of Technology, Delhi as a national level institute under the Ministry of MSME in October 2008 called Mahatma Gandhi Institute for Rural Industrialization (MGIRI). The main objectives of the institute as enunciated in its Memorandum of Association include:

- To accelerate rural industrialization for sustainable village economy so that KVI sector co-exists with the main stream
- Attract professionals and experts to Gram Swaraj
- Empower traditional artisans
- Innovation through pilot study/field trials
- R&D for alternative technology using local resources

4.6 National Institute for Micro, Small and Medium Enterprises (NIMSME)

The primary objective of NI-MSME was to be the trainer of trainers. Today, with the technological development and ever-changing market scenario, the organization’s involvement has undergone changes too. From being merely trainers NI-MSME has widened its scope of activities to consultancy, research, extension and information services. In line with the national objective of economic development through industrialization, and based on the expertise that is available, the Institute has identified thrust areas that need emphasis and exploration. These are: Entrepreneurship Development, Technology Up-gradation & Transfer, Policy Issues, NGO Networking, Environment Concerns, Cluster Development, Management Consultancy, Quality Management Services, Financial Services, and Information Services.

V. SKILL DEVELOPMENT & SMES (SMALL & MEDIUM ENTERPRISE)

Skills and knowledge are the driving forces of economic growth and social development for any country. India currently faces a severe shortage of well-trained, skilled workers. According to National Policy for Skill Development And Entrepreneurship 2015, it is estimated that only 2.3 % of the workforce in India has undergone formal skill training as compared to 68% in the UK, 75% in Germany, 52% in USA, 80% in Japan and 96% in South Korea. Large sections of the educated workforce have little or no job skills, making them largely unemployable. Therefore, India must focus on scaling up skill training efforts to meet the demands of employers and drive economic growth (MSDE report). The Ministry has been organizing a number of skill development programmes/ courses for the existing & potential entrepreneurs, in order to build their capacity. These training courses are as per demands of industry, a pathway to fill up the gap of requirement of skilled workforce in the MSME sector in consonance with the changing landscape of the MSME Ecosystem and its present challenges in India. Skill training programmes are conducted by a network of institutions under the Ministry i.e., Khadi & Village Industry Commission (KVIC), Coir Board, National Small Industries Corporation Ltd. (NSIC), National Institutes for MSME (NI-MSME) and MSME - Technology Centres (TCs). Total number of persons trained 2,69,005 under the skill development programmes conducted by the M/o MSME since 2014-15 to 2018-19 was 2,69,005 the target for 2019-20 was to train 4,00,000 persons.

5.1 Key Initiatives for The Skill Development of MSMEs Sector

The following section presents the various initiatives undertaken by government agencies:

5.1.1 Entrepreneurship Skill Development Programme (ESDP)

The objective of the programme is to motivate youth representing different sections of the society including SC/ST/Women, differently-abled, Ex-servicemen and BPL persons to consider self-employment or entrepreneurship as one of the career options. The ultimate objective is to promote new enterprises, capacity building of existing MSMEs and inculcating entrepreneurial culture in the country. As per scheme guidelines, in EAP and E-SDP there should be overall 40% women participation. The programme includes the following: -

- Industrial Motivation Campaigns (IMCs)- Two Days
- Entrepreneurship Awareness Programmes (EAPs) - Two Weeks
- Entrepreneurship-cum-Skill Development Programme (E-SDP)- Six Weeks
- Management Development Programmes (MDPs)- One Week

5.1.2 Skill India

Skill India campaign was launched by Prime Minister Narendra Modi on 15 July 2015 to train over 40 crore people in India in different skills by 2022

Various initiatives under this campaign are:

- National Skill Development Mission
- National Policy for Skill Development and Entrepreneurship, 2015
- Pradhan Mantri Kaushal Vikas Yojana (PMKVY)
- Skill Loan scheme
- Rural India Skill

5.1.3 National Skill Development Mission

The National Skill Development Mission was approved by the Union Cabinet on 01.07.2015, and officially launched by the Hon'ble Prime Minister on 15.07.2015 on the occasion of World Youth Skills Day. The Mission has been developed to create convergence across sectors and States in terms of skill training activities. Further, to achieve the vision of 'Skilled India', the National Skill Development Mission would not only consolidate and coordinate skilling efforts, but also expedite decision making across sectors to achieve skilling at scale with speed and standards. It will be implemented through a streamlined institutional mechanism driven by Ministry of Skill Development and Entrepreneurship (MSDE). Key institutional mechanisms for achieving the objectives of the Mission have been divided into three tiers, which will consist of a Governing Council for policy guidance at apex level, a Steering Committee and a Mission Directorate (along with an Executive Committee) as the executive arm of the Mission. Mission Directorate will be supported by three other institutions: National Skill Development Agency (NSDA), National Skill Development Corporation (NSDC), and Directorate General of Training (DGT) – all of which will have horizontal linkages with Mission Directorate to facilitate smooth functioning of the national institutional mechanism. Seven sub-missions have been proposed initially to act as building blocks for achieving overall objectives of the Mission. They are:

- (i) Institutional Training,
- (ii) Infrastructure,

- (iii) Convergence,
- (iv) Trainers,
- (v) Overseas Employment,
- (vi) Sustainable Livelihoods,
- (vii) Leveraging Public Infrastructure.

5.1.4 Pradhan Mantri Kaushal Vikas Yojana (PMKVY)

Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is the flagship scheme of the Ministry of Skill Development & Entrepreneurship (MSDE). The objective of this Skill Certification Scheme is to enable a large number of Indian youths to take up industry-relevant skill training that will help them in securing a better livelihood. Individuals with prior learning experience or skills will also be assessed and certified under Recognition of Prior Learning (RPL). Under this Scheme, Training and Assessment fees are completely paid by the Government.

- **PMKVY (2015-16) Phase 1.**

The first version of Pradhan Mantri Kaushal Vikas Yojana (PMKVY) scheme was launched in 2015 to encourage and promote skill development in the country by providing free short duration skill training and incentivizing this by providing monetary rewards to youth for skill certification. During its first phase, PMKVY trained over 19 Lakh candidates in 375 job roles.

- **PMKVY (2016-20) Phase 2.**

After the good implementation of PMKVY (2015-16) and previous learnings, PMKVY 2.0 (2016-20) was launched by scaling up sectors, geographies and by greater alignment with other missions / programs of Government of India such as 'Make in India', 'Digital India' and 'Swachh Bharat Mission') to impart skilling to 10 million youth of the country. (PMKVY 3.0 Guidelines)

- **PMKVY (2020-21) Phase 3.**

The third phase of the government's ambitious skilling scheme Pradhan Mantri Kaushal Vikas Yojana (PMKVY 3.0) launched on 14 January, 2021 in 600 districts across all states of the country. PMKVY 3.0 envisages training of 8 lakh candidates over the scheme period of 2020-2021, with an outlay of Rs 948.90 crore.

5.1.5 Skills Acquisition and Knowledge Awareness for Livelihood Promotion (SANKALP)

SANKALP is an outcome-oriented centrally sponsored programme of Ministry of Skill Development & Entrepreneurship (MSDE) with a special focus on decentralized planning and quality improvement. It focuses on the overall skilling ecosystem covering both Central & State agencies. SANKALP aims to implement the mandate of the National Skill Development Mission (NSDM). Under SANKALP four key result areas have been identified:

- Institutional Strengthening (*at National, State & District level*)
- Quality Assurance Quality Assurance of skill development programs
- Inclusion of marginalized population in skill development; and
- Expanding Skills through Public Private Partnerships (PPPs)

5.1.6 UDAAN

Udaan is a Special Industry Initiative for Jammu & Kashmir in the nature of partnership between the corporates of India and Ministry of Home Affairs and implemented by National Skill Development Corporation. The programme aims to provide skills training and enhance the employability of unemployed youth of J&K. The Scheme covers graduates, post graduates and three years engineering diploma holders. It has two objectives:

- To provide an exposure to the unemployed graduates to the best of Corporate India;
- To provide Corporate India, an exposure to the rich talent pool available in the State.

5.1.7 The Scheme of Fund for Regeneration of Traditional Industries (SFURTI)

SFURTI was launched in 2005 in order to boost cluster development by Ministry of Micro Small and Medium Enterprises (MSME).SFURTI was launched to provide sustainable development, employment and strengthen governance system for traditional rural industries. The scheme sought for provision of improved tools, equipment and marketing infrastructure.

The scheme covers three types of interventions:

- i) Soft interventions– Activities to build general awareness, counseling, skill development & capacity building, exposure visits, market development initiatives, design and product development, etc.
- ii) Hard interventions– Creation of common facility centers, raw material banks, upgradation of production infrastructure, warehousing facility, tools and technological upgradation, etc.

iii) Thematic interventions– Interventions on a cross-cutting basis for brand building, new media marketing, e-commerce initiatives, research and development, etc. The financial assistance provided for any specific project shall be subject to a maximum of Rs. 5 (five) crores to support Soft, Hard and Thematic interventions.

5.1.8 A Scheme for Promoting Innovation, Rural Industry & Entrepreneurship (ASPIRE)

The scheme is aimed at promoting entrepreneurship culture in India, boosting grassroots economic development at the district level, facilitating innovative business solutions for unmet social needs, and promoting innovation to further strengthen the competitiveness of the MSME sector.

The scheme components are

- Create a database of technologies available with various Government/ private agencies and setup a Network of Technology Center for sharing of best practices and experiences.
- Develop the required skilled Human Resources necessary for mentoring and handholding the incubates.
- Set up Livelihood Business Incubators (LBI) under National Small Industries Corporation (NSIC), KVIC or Coir Board or any other Institution/agency of GOI/State Govt.
- Incubation and Commercialization of Business Ideas Programme through technical/ research institutes, Ministries of GOI and Private incubators.
- Business Accelerator programme for scaling up.
- Create a framework for Start-up Promotion through Small Industries Development Bank of India (SIDBI) by using innovative means of finance to enable ideas/innovation & to convert these into commercial enterprises.

VI. CONCLUSION

At last, this study provides the overall structure and implementation strategies of skill development missions in India. Here an attempt has been made to present the most significant skill development initiative taken by the government to promote MSMEs. The MSMEs are facing an unusual crisis in the wake of Covid-19 in terms of suspended operations, labour shortage, supply-chain disruptions, lower demands for goods and services, cash flow crunch, among many other recurrent problems plaguing the sector. The MSME sector, the backbone of the economy that provides 25 per cent of employment, 32 per cent of the GDP and 45 per cent of exports, is unhappy despite the Rs 3 trillion line of credit for loans without collateral (Jha and Kumar, 2020). The government's relief initiatives would have to prioritize informal workers and small micro-enterprises with 5-10 workers in order to reach them in time to save their lives and livelihoods. The government must also ensure that the initiatives hit any stakeholder in the MSME sector through proper processes and monitoring systems.

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