**“A STUDY ON THE PROBLEMS OF MICRO ENTERPRISES WITH SPECIAL EMPHASIS ON NILAMBUR TALUK.”**

*Abhimanyu P T.PG Scholar ,MES Mampad College,Malappuram Dt.*

***ABSTRACT***

*Micro Enterprise had been accepted as an engine of economic growth and for promoting equitable development. These micro units are very important for rural development and to boost up rural entrepreneurship. In developing country’s including India micro enterprise constitute an important part in its development.Microenterprises have been given an important place in the economy both developing and developed economies. Microenterprise sector providing employment with comparatively lower cost also help in industrialization of rural and backward areas. This project deals with the various challenges faced by the micro enterprises in Nilambur Taluk*

 **INTRODUCTION**

Micro enterprises are playing a vital role in the development of industrial sector of our country. A micro enterprise is the smallest business in a country, which operates with least capital and low number of employees. Usually it operates with in a small geographical area to provide goods or service for their community. This study aims to bring out the problems and prospects of Micro Enterprises operating in Nilambur taluk.Micro Enterprise had been accepted as an engine of economic growth and for promoting equitable development. These micro units are very important for rural development and to boost up rural entrepreneurship. In developing country’s including India micro enterprise constitute an important part in its development.Microenterprises have been given an important place in the economy both developing and developed economies. Microenterprise sector providing employment with comparatively lower cost also help in industrialization of rural and backward areas. This project deals with the various challenges faced by the micro enterprises in Nilambur Taluk.

**REVIEW OF LITERATURE**

The major reviews of the study are based on the reviews provided by **Prasad (1974)** in his study highlighted that micro enterprises in India small only in size by big achievements; **Roy Roth well and water zegveld ( 1982)** reveal that SME, have been and in general, continue to be, technologically innovative; **Vinayak , Shankaran Boyars ( 1984)** states that program of cooperatives in other related fields is powerful instrument, which possess the capacity to transform the backward area into advanced ones and so on; **Asian Development Bank (1997)** summarizes many of the key findings of a study which reviewed micro enterprises development in selected developing member countries; **VasandharaRaje (2000)** states that credit is an essential input for the working of micro enterprises industries; **Jewel (2012),**showcased the strategic importance of SME Sector in development of India. She argued that SMEs emerged business activity lost during that time, despite a slow and fragile economy.

**OBJECTIVES OF STUDY**

To understand the micro enterprises and its importance.

 To analyse the various challenges faced by Micro Enterprises in Nilamburtaluk.

 To understand the various methods adopted by Micro Enterprises to tackle the challenges or problems.

To give suggestions.

**STATEMENT OF PROBLEM**

Micro enterprises play a key role in the industrialization of a developing nation. They have been the significant contributor to the national income, with their deeper and enthusiastic involvement in the country’s industrial production and exports. Micro enterprises are said to add value to a country’s economy by creating jobs, enhancing income, strengthening purchasing power, lowering costs and adding business convenience. The present study is conducted to identify the major problems confronting the micro enterprises sector in detail.

**RELEVANCE OF THE STUDY**

Micro enterprises are a more important source of jobs in some countries than in others.The small scale enterprises provide the entrepreneurial cultural and boast of the economy against the economic crises, such as low percapita Income, poverty and unemployment, Hence the SMEs sector is an important potential sector for employment creation and income generation for the poor class. Micro enterprises boost country’s economic growth and economic development.

**METHODOLOGY OF THE STUDY**

The research methodology adopted for carrying out the study is mainly designed as an empirical work based on primary data, obtained through questionnaires from 50 respondents, direct personal interviews of the selected respondents.The Sampling technique used for the study is convenient sampling technique.

**RESULTS AND DISCUSSIONS**

* Majority of microenterprises are located in Urban are and few are located in rural area
* Most of the Micro enterprises are facing the labour problem Production problem Marketing and financial problems
* The Unavailability of raw material power shortage lack of skilled workers are the major problem faced by enterprises
* The enterprises they should adopt proper remedial measure to solve the problems
* Majority of enterprises are in male entrepreneurs and few are in females.
* Most of the enterprises the initial investment on fixed asset limited to 5 lakhs rupees.
* Most of the enterprises are in Manufacturing activities and limited number of service.
* Micro enter prises faces some administrative problems.
* If the study find micro enterprises are in two registered and unregistered that most of micro enter prises are registered but have some unregistered micro enterprises.
* Micro enterprises contribute the Economic growth and Development of the nation, economy
* Governments like Union and State governments started some Micro enterprises programmes
* Most of the country following the concept and they should focus its developments.

**CONCLUSION**

Micro enterprises play a vital role in the growth and development of the economy. The income of the micro enterprises are contributed to the rural economic sector of every nation.The term micro enterprises used for the term micro credit. The study concluded that most of them included in manufacturing service and explained the importance of Agricultural activity, food processing and others.The micro enterprises are divided in between two registered and unregistered . Most of the related to registered enterprises and very limited numbers are due to unregistered enterprises. The study deeply focused on the importance of Technological advancement and raw material availabilities. The Production, Marketing, Finance and labour problems.Clearly treat and the suitable way to solve or cover come it. The study includes the proper remedial measures to solve the issues. Finally the existence of Micro enterprises is very important and the economic development.. So the Micro Enterprises should very important and is a very relevant area for the national development

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