



## A STUDY ON SMALL SCALE INDUSTRY OPPORTUNITIES & CHALLENGES IN MADURAI CITY

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### ABSTRACT:

This study investigates the opportunities and challenges facing small-scale industries (SSIs) in Madurai city. As a crucial sector contributing to local economic development, understanding the dynamics of SSIs is essential for policymakers, entrepreneurs, and stakeholders. Through a blend of qualitative and quantitative research methods, this research examines the current landscape of SSIs in Madurai, identifying key opportunities for growth and expansion, as well as the challenges hindering their development. Factors such as access to finance, infrastructure, government policies, market demand, and technological advancements are analyzed to provide insights into the opportunities and challenges faced by SSIs in Madurai. The findings of this study offer valuable recommendations for policymakers, industry stakeholders, and entrepreneurs to support the sustainable growth of SSIs in Madurai, thereby fostering economic development and employment generation in the region.

### KEYWORDS:

**SMALL-SCALE INDUSTRIES, OPPORTUNITIES, ECONOMIC DEVELOPMENT, GOVERNMENT POLICIES, EMPLOYMENT GENERATION.**

### 1.1 INTRODUCTION

Madurai, a historically rich city in the southern part of India, has emerged as a hub for small-scale industries, contributing significantly to the region's economic development. This study aims to explore the opportunities and challenges faced by small-scale industries in Madurai city. Small-scale industries play a pivotal role in fostering entrepreneurship, generating employment opportunities, and driving local economic growth. Understanding the intricacies of this sector is crucial for policymakers, industry stakeholders, and entrepreneurs alike to formulate effective strategies for sustainable development and competitiveness. By examining the opportunities for growth and the obstacles hindering progress, this study seeks to provide insights into how small-scale industries in Madurai can thrive in an ever-evolving business landscape, contributing to the city's socioeconomic advancement and prosperity. Madurai, a city steeped in history and culture, has evolved into a bustling urban center in the southern region of India. Amidst its rich heritage and modern developments, small-scale industries form a crucial component of Madurai's economic fabric. These enterprises, often characterized by their modest scale of operations and localized production, play a significant role in driving employment generation, fostering entrepreneurship, and contributing to the overall economic growth of the city.

### 1.2 STATEMENT OF THE PROBLEM

Madurai, a city known for its cultural heritage and economic vibrancy, hosts a diverse array of small-scale industries that play a pivotal role in its socioeconomic

landscape. However, amidst the city's potential for growth and development, these enterprises encounter various challenges that impede their progress and limit their contributions to the local economy. Therefore, the central problem addressed by this study revolves around understanding the opportunities and challenges faced by small-scale industries in Madurai city. Specifically, the study aims to identify the factors enabling or constraining the growth, competitiveness, and sustainability of these enterprises within the dynamic business environment of Madurai. By addressing this problem, the research seeks to provide insights and recommendations that can inform policy interventions, business strategies, and support mechanisms aimed at fostering the resilience and prosperity of small-scale industries in Madurai city.

### 1.3 REVIEW OF LITERATURE

Singh, I., & Gupta, N.S. (1971), at their study based on a survey of 50 artisans and 200 small scale industries, focused to highlight pattern and problem of finance separately of artisans and small scale industries such that they can explore the possibilities of finance from financial institutions especially of commercial banks for the assistance of industrial units as well as commercial banks. On the other hand, the authors wanted to measure the socio-economic development of the state. The study discovered those huge potentialities for bank credit which need to be exploited properly by commercial banks.

Vepa, R.K. (1984), in his work, has given practical guidance by explaining how in a simple way an entrepreneur will set up and operate a small business. He

discusses the idea about the choice of product; selection of a location; obtaining of credit and fixation a problem of marketing and operation. The author has included some most up to date possible appendices which provided a store of the necessary information to establish and run a business a better way. He has talked about the selling process of product in the domestic market, to Government and the international market. The author has also considered an important aspect of getting success in the future i.e., how to avoid present failures.

#### 1.4 OBJECTIVES OF THE STUDY

- To analyze the diverse sectors and sub-sectors comprising the small-scale industry landscape in Madurai city.
- To identify and evaluate the various opportunities available to small-scale industries in Madurai, such as access to local markets, availability of skilled labor,
- government incentives and support programs, technological advancements, and emerging market trends, in order to assess the potential for growth, innovation, and market expansion within these industries.
- To examine the challenges faced by small-scale industries in Madurai, including regulatory compliance issues, infrastructural constraints, access to finance and credit, technological obsolescence, competition from larger enterprises.

#### RESEARCH METHODOLOGY

Employing both primary and secondary data collection methods. Primary data will be gathered through surveys, interviews, and focus group discussions with stakeholders including SSIs owners,

industry associations, policymakers, and relevant government officials. Secondary data will be collected from government reports, industry publications, academic journals, and online databases.

#### 1.5. RESEARCH DESIGN

##### SAMPLE SIZE

A sample size is a definite plan for obtaining a sample from a given population.

##### SAMPLING METHOD

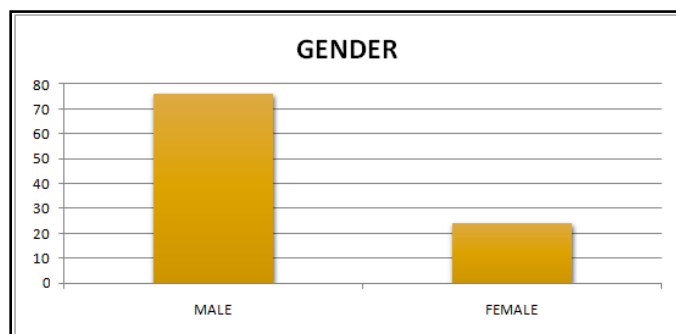
The sample was drawn using convenience sampling method. The total sample size was chosen 100.

#### 1.6 DATA ANALYSIS:

**TABLE 1.6.1 GENDER BASED CLASSIFICATION**

GENDER	NO.OFRESPONDENTS	PERCENTAGE
Male	76	76
Female	24	24
<b>TOTAL</b>	<b>100</b>	<b>100%</b>

Source: Primary data



##### INTERPRETATION:

This above table 1.6.1. shows that, 76 % of respondents are Male, and 24 % of respondents are Female.

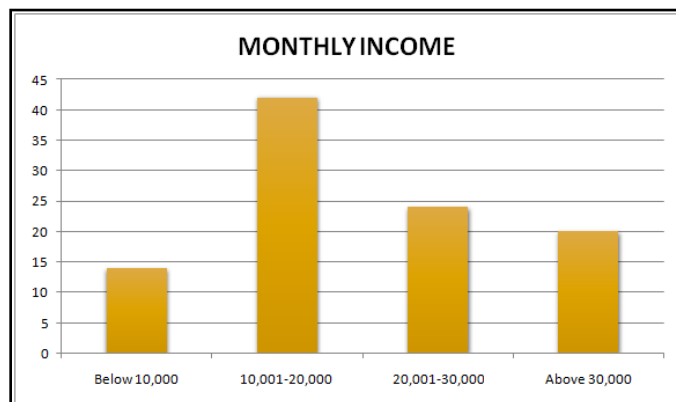
**TABLE 1.6.2 MONTHLY INCOME BASED CLASSIFICATION**

MONTHLY INCOME	NO OF RESPONDENTS	PERCENTAGE
Below 10,000	14	14
10,001-20,000	42	42
20,001-30,000	24	24
Above 30,000	20	20
<b>TOTAL</b>	<b>100</b>	<b>100%</b>

(Source: primary data)

##### INTERPRETATION:

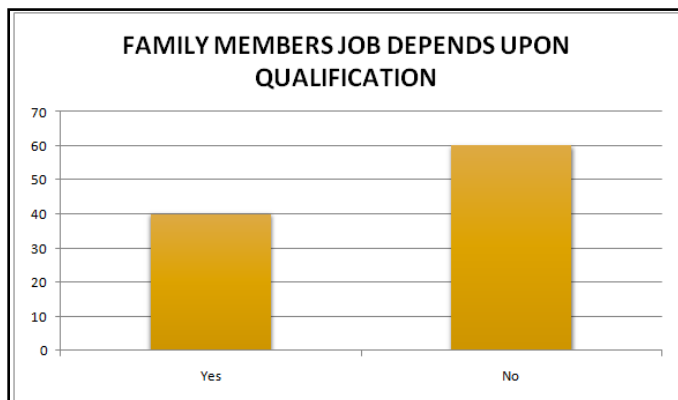
This above table 1.6.2. shows that, 14% of respondents are below 10, 000, 42% of respondents are 10,001-20,000, 24% of respondents are 20,001-30,000 and 20% of respondents are above 30,000.



**TABLE 1.6.3 JOB DEPENDS UPON QUALIFICATION OF THE RESPONDENTS**

FAMILY MEMBERS JOB DEPENDS UPON QUALIFICATION	NO OF RESPONDENTS	PERCENTAGE
Yes	40	40
No	60	60
<b>TOTAL</b>	<b>100</b>	<b>100%</b>

Source: Primary data



#### INTERPRETATION:

This above table 1.6.3 shows that, 40% of respondents are Yes and 60% of respondents are No.

#### 1.7 FINDINGS

1. Majority of the users are Male 76%
2. Majority of the respondents are Rs.20,001-30000 amount invested in business 40%
3. Majority of the respondents are depends upon the qualification of the job.

#### 1.8 CONCLUSION

In a country like India, the small scale industries play a very important role in generating employment, improving the financial status of people, development of rural areas and removing the regional imbalances. Small industries are important because they contribute to increasing employment and economic development in India. It improves national growth by increasing urban and rural

growth. Small scale industries are one of the best sources of employment generation in India. Small scale industries are less capital intensive than the large scale industries. Capital is scarce in developing countries like India and therefore, small scale industries are most suitable for maintaining the balance.

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