AN APPRAISAL OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs) IN WEST BENGAL

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ABSTRACT
The Micro, Small and Medium Enterprises (MSMEs) play a vital role in West Bengal economy by generating employment for about 25 lakh people and 38 percent of the total export of the state. As per the Industrial Policy introduced in West Bengal in 2013, the MSMEs have been identified as the ‘Thrust or Strategic’ area and the sector is expected to play a key role in the industrial development of the state. This sector can be very effective in reducing excessive dependence on agriculture and ensuring a balanced economic growth by establishing a network of MSMEs in the rural or backward areas. The major MSMEs in West Bengal are handlooms, sericulture, leather industries, food processing industries, electronic and IT sector and handicraft industries. The performance appraisal of the MSMEs in West Bengal during the post reforms period shows that the growth rate of number of units and employment generated by the MSMEs is not satisfactory. The MSMEs suffer from poor institutional credit support, outdated technology, infrastructural bottlenecks, lack of investment and skilled workers. The Govt. must ensure steady credit supply, pro-business attitude and proper execution promotional policies to ensure long term growth for MSMEs in West Bengal.

KEY WORDS: Average Annual Growth Rate (AAGR), Institutional Credit, Liberalization, Micro, Small and Medium Enterprises (MSMEs), Non-Performing Assets (NPA).