

Contribution of Economics in Business Sustainability with exceptional reference to MSMEs

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Abstract

Keeping considering the necessities of things to come age, business supportability is an exertion that includes business improvement in the current climate without consumption of the normal assets in the climate. With regards to the feasible advancement of business we can notice an interconnection of climate including a harmony between shortages of assets and resolving the issues like environment changes, Global warming and accomplishing the designated development pace of the business movement utilizing the advances. Climate being a fundamental piece of our reality, working together, receiving climate cordial choices is unavoidable and fostering the green innovation measures is the indispensable way for eco-accommodating manageable business. The wide vision and the innate job of MSMEs in the economy have gotten more extensive in the post pandemic financial emergency. The weigh up truth of the meaning of MSMEs is acknowledged again in the development far away present scale all the more generally connected with business openings with adjusted turn of events and country's flourishing. In any case, "Make in India" with zero imperfection and zero impact drive by the Government of India is a huge advance towards: monetary development + supportability + social incorporation. This paper enlightens on the drive by the Government of India as a critical advance in reinforcing MSMEs and the financial arrangements under the exceptional proportion of Atma Nirbhar Bharat Abhiyaan, basically taken to make MSMEs' business reasonable.

Keywords: Sustainable Development , Prosperity, Peace and Partnership.

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How to cite this article: Srinivasulu Bayineni, Prashanthi Chagal, Contribution of Economics in Business Sustainability with exceptional reference to MSMEs, Journal of Management and Science, 12(2) 2022 1-5. Retrieved from <https://jms.eleyon.com/index.php/jms/article/view/555>

Received: 25 October 2021 **Revised:** 27 December 2022 **Accepted:** 7 February 2022

1. INTRODUCTION

Change of business into an eco-accommodating endeavor with new models and strategies, items and administrations in the tough spot of Covid-19 pandemic, Micro, Small and Medium Enterprises (MSMEs) need hold-up as far as money, crude material, work, administrative help and so on. The MSMEs have the ability to make themselves as public and worldwide heroes over the long haul. Business is practical on 3 standards specifically economy, society and climate. Alongside association's financial addition, a maintainable business likewise adds to society via setting out open doors and overseeing chances. Each business works in natural, social and monetary climate. Manageability is a business way to deal with make long haul worth and makes the organization cultivate in since quite a while ago run. Manageability can be seen as a result of corporate social duty. ^[1]

The maintainable advancement objectives are the result of The United Nations' Sustainable Development Summit held in September 2015. There are by and large 17 objectives which center on taking out neediness and ensure the climate in each conceivable matter. The work on Sustainable Development Goals (SDGs) is being prepared for quite a long time by numerous nations alongside United Nations Development of Economic and Social Affairs. Prior in June 2012, UN

Conference held in Rio de Janeiro, Brazil, introduced a report "The future we need" in which the choices with respect to SDGs were taken. The SDGs are substitution of MDGs (Millennium Development Goals) or to say, SDGs are additional items in MDGs. In 2015, the UN shaped 17 SDGs instead of existing eight MDGs to dispense with outrageous neediness. These SDGs are more complete and in light of five Ps. The 5 Ps are – People, Planet, Prosperity, Peace and Partnership. ^[2]

The difficulties looked by (SMEs) applying the objective of practical utilization and creation examples to their everyday tasks. Indian economy assumes a fundamental part in giving enormous business openings at similarly lower capital expense. This area contributes immensely to the financial advancement of the province. The current roof on venture for endeavors to be named miniature, little and medium undertakings are as per the following:

- A miniature venture, where the interest in plant and hardware or the gear doesn't surpass 1 crore rupees and turnover doesn't surpass 5 crores rupees;
- A little undertaking, where the interest in plant and apparatus or gear doesn't surpass 10 crores rupees and turnover doesn't surpass 50 crores rupees; and
- A medium undertaking, where the interest in plant

and hardware or gear doesn't surpass 50 crores rupees and turnover doesn't surpass 250 crores rupees. [3]

The center thought in advancing and creating MSMEs is the obligation of State Governments. The Central likewise through different drives upholds the State Governments. Aside from working on the intensity of MSMEs the State Governments likewise put forth attempts to energize business venture, work and occupation chances of MSMEs. The projects embraced by the Ministry and its associations try to work with:

- Adequate stream of credit from monetary foundations/banks;
- Support for innovation upgradation and modernisation;
- Integrated infrastructural offices;
- Modern testing offices and quality affirmation;
- Access to current administration rehearses;
- Entrepreneurship improvement and expertise upgradation through fitting preparing offices;
- Support for item advancement, plan intercession and bundling;
- Welfare of craftsmans and laborers;
- Assistance for better admittance to homegrown and trade markets; and
- Cluster-wise measures to advance limit building and strengthening of the units and their aggregates.

2. Contribution of MSMEs in Economy

The assortment of items and administrations, levels of innovation and size of the ventures brought about high development potential in the assembling area. The significant attribute of MSMEs remembers fewer ventures for plant and apparatus with adaptable areas and tasks. The supportability business objectives have a nearby interlink in annihilating neediness, a part of social obligation with a target of work age. The most recent worldwide gauge proposes that 11% of the total populace, or 783 million individuals, lived beneath the outrageous destitution edge in 2013. The majority of the poor in agricultural nations are not utilized or don't make enough to lift themselves out of neediness. Occupation creation in the private area has demonstrated to be a fundamental driver in the battle against destitution. In the course of recent years, the private area has added to a sharp decrease in the portion of the populace in the creating scene living beneath the neediness line from 52 to 22 percent. The MSMEs contribute essentially to the work creation interaction of the private area. In developing business sectors, 4 out of 5 new situations in the conventional area were made by MSMEs, which is around 90% of absolute work. [4]

In India, in any case, MSMEs area adds to 45 percent of the India's absolute mechanical business, 50 percent of India's complete fares and 95 percent of all modern units of the nation and in excess of 6000 sorts of items are produced in these ventures. Each business venture has a significant part of work yield and capital yield proportions. What's more, the issue of the economy is about the proportion of work to its functioning age populace. Joblessness in all actuality, in India, with larger part of its populace being youthful can be characterized as a portion of the functioning age populace which is practically the greater part of complete populace. By animating corporate and private venture, the youthful capable youth given an opportunity can increase their yield. The social obligation of business has a bleeding edge of advancement destinations of the nation consequently creating work openings and killing destitution.

The enterprising abilities of imagination and inventive thoughts are the main thrusts behind the grounded MSMEs.

3. India's Economy Post Covid-19 Pandemic

The underlying months of the main wave had antagonistically affected both the coordinated and the chaotic area of the economy. Notwithstanding, in ensuing months, the coordinated area adjusted to the new typical with cheerful readiness, while the sloppy area, which was limping back to life, has now been served another blow. This eccentric effect of COVID-19 has developed the dualism between the coordinated and the disorderly area; this is additionally apparent from the information which mirrors these areas. Walk 2020 saw the most thorough lockdown to control the pandemic. Subsequently, the economy went to a delay as processing plants were closed down. The 3 months lockdown brought about trashiest financial constriction to -24 percent in June 2020 and -7.3 percent in July. The economy needed to confront an uncommon downturn. There is as yet an all-inclusive monetary harm in the event of delayed lockdowns. The IMF and ADB for 2021-22 estimated India's GDP to 12.5 percent and 11 percent individually. Be that as it may, the danger of imperfect development actually proceeds. The different elements that could take the economy to the possibility to bounce back are –

- Setting right shook production network,
- Identifying or amending position misfortunes, and
- It's impact on monetary area.

As far as business, according to Center for Monitoring Indian Economy (CMIE) overview, the economy was in its most noticeably terrible stage in May-20 with a 24 percent joblessness rate. By January 2021, this figure recuperated to around 7 percent. Be that as it may, in the wake of the second rush of the pandemic and ensuing local lockdowns, the joblessness rate in May-21 has scaled to 9 percent. A piece of joblessness can be clarified by the nearby development limitations set up by different state governments. Patterns in the Google Mobility Index show that the portability (between third seven day stretch of March-21 to second seven day stretch of May-21) to working environment has decreased by around multiple times, versatility for travel has diminished by a different of multiple times and private portability has expanded by a various of more than multiple times. Further, this discovering connects with the Oxford Stringency Index, estimating the requirement of lockdown, which for India has expanded from 58 to 74 among March and May-21. These COVID-2.0 actuated limitations will affect pay and henceforth, utilization use too. Maybe, this clarifies the abrupt fall in the CMIE-Urban Consumer Sentiment Index in the period of April-21. [5]

4. Post Covid-19 Relief for MSME sector

Need in assembling of Covid-19 related things like veils, gloves, PPE, ventilators, testing gear, infrared thermometers and so on Accentuation on speedy modern foundation advancement and quicker endorsements and may require loosened up agreements particularly for the things which fall under clinical/helper classifications. The most arising challenge during lockdown period just as in the post Covid-19 period would meet fixed expenses. While this will

be difficult without customary assets stream, the issue will be more heightened if Banks/NBFC makes tension on MSMEs for reimbursements of the contribution. The State Governments to be drawn nearer for taking appropriate drives to exclude/ repay the power and other fixed charges during this period. In the post Covid-19 period, it will be clear for MSMEs to confront difficulties from rising crude material costs. Purposeful with Ministry of Finance to consider decrease in GST rates on crude materials to in part make up at the cost accelerations. Unwinding in legal compliances like documenting of GST returns on schedule, opportune discounts of GST installments and some different measures should be taken. Division of Revenue to be drawn closer for looking at the matter and giving reasonable help measures. ^[6]

5. CLCSS:

The primary target of the Credit Linked Capital Subsidy Scheme (CLCSS) is to work with innovation up-degree in Micro and Small Enterprises (MSEs) by giving capital endowment of 15 percent (restricted to limit of ₹15.00 lakhs) on institutional money benefited by them for enlistment of grounded and further developed innovation. Most extreme restriction of qualified advance for estimation of endowment under the Scheme is interest in endorsed plant and hardware up to ₹1.00 crore for acceptance of grounded and further developed advances. The MSEs are especially hindered because of inadequate venture and absence of familiarity with both the quality guidelines and admittance to present day advances. Huge levels of MSEs are running with obsolete innovation and plant and apparatus. ^[7]

The CLCSS is imagined to resolve this issue. As of now, 51 Sectors/sub-areas with endorsed Machinery/Technologies are covered under the plan. The plan is appropriate to new and existing MSEs occupied with assembling. Office of the Development Commissioner (MSME) is carrying out the plan through 12 Nodal Banks/Agencies. The qualified MSEs are needed to apply online through Primary Lending Institutions (PLIs), from where the MSEs benefited term advance for up-degree of innovation. The plan has been tremendously effective in empowering MSEs in innovation upgradation. This thus has brought about efficiency improvement, expansion in turnover and usefulness. A significant improvement in item quality has additionally been accounted for.

6. Long-term Strategy for Sustainability of MSMEs

As of late, the worry of manageability has taken a middle phase of improvement around the world and the Government of India has made a few responsibilities at public and global stages to save our current circumstance with the assistance of different drives. One such measure is 'Make in India' with 'Zero Defect and Zero Effect' drive of the public authority that communicates the energy to offset financial development with manageability and social incorporation just as urges MSMEs to continually update their quality norms in items and cycles without harming the climate. The advancing "Swadeshi" philosophy by means of strategy and methodology drafting and monetary help to MSMEs are as per the following: ^[8]

- By value advantage motivating force for import replacement and native item improvement.
- Price advantage impetus is a rate extra benefit on a cost to Indian provider contrasted and cost of import for a specific item.

- Defining and presentation of "Indian quality norm and confirmation" framework to give "non-tax hindrances" cover for boosting privately made "swadeshi items".
- To invigorate the nearby interest in assembling section through advancement plans and motivations, with the goal that India becomes producing center.
- Access to Information Technology Enabled Services (ITES) at a reasonable expense would welcome the MSME area on a level battleground with greater players.
- To advance development and upscale MSMEs to withstand worldwide contests.
- Technological upgradation of the MSMEs to limit outside dangers to mediocre levels.
- Encouraging corporatisation of the MSME area.
- Encouraging developments through setting up of enormous number of business hatcheries in instructive organizations.
- Formulation of long haul approaches for the opportune receipt of installments by MSMEs.
- Prioritise loaning to MSMEs from banks by remembering little endeavor for the reserved need area and raising sub-target breaking point to 10 percent from 7.5 percent.
- Collateral free and MUDRA little credits to empower independent work.
- Relaxing fixing on working capital by banks.
- Safe exchange strategy to be conceived for areas reliant upon Chinese imports model: synthetic compounds, drugs and gadgets areas and so on.

7. Atma Nirbhar Bharat Abhiyan

Atmanirbhara Bhārata which means 'confident India', is a Hindi expression utilized and promoted by the Prime Minister of India Narendra Modi and the Government of India according to financial advancement in the nation during and after the COVID-19 pandemic. In this specific circumstance, the term is utilized as an umbrella idea corresponding to making India "a greater and more significant piece of the worldwide economy", seeking after strategies that are productive, serious and tough and acting naturally maintaining and self-creating. The Government of India has reported Atma Nirbhar Bharat Package an extraordinary monetary and far reaching bundle of ₹20 lakh crore (10% of GDP) fully intent on making the country free against the intense rivalry in the worldwide store network and to help in enabling poor people, workers, travelers who have been antagonistically influenced by COVID. ^[9,10]

Another Public Sector Enterprise (PSE) strategy has been reported with plans to privatize PSEs, aside from the ones working in certain essential areas which will be informed by the public authority. In essential areas, somewhere around one PSE will remain, however private area will likewise be permitted. To limit inefficient authoritative expenses, number of ventures in essential areas will usually be just one to four; others will be privatized/combined/brought under holding organizations. All organizations (counting MSMEs) will be furnished with guarantee free programmed advances of up to three lakh crore rupees. The MSMEs can get up to 20 percent of their whole remarkable credit as on February 29, 2020 from banks and Non-Banking

Financial Companies (NBFCs). Borrowers with up to ₹25 crore remarkable and ₹100 crore turnover will be qualified for such credits and can profit the plan till October 31, 2020. Premium on the advance will be covered and 100% credit ensures on head and premium will be given to banks and NBFCs.

Notwithstanding, an asset of assets with a corpus of ₹10,000 crore will be set up for MSMEs. This will give value subsidizing to MSMEs with development potential and reasonability. Around ₹50,000 crore is relied upon to be utilized through this asset structure. This plan expects to help to pressure MSMEs which have Non-Performing Assets (NPAs). Under the plan, advertisers of MSMEs will be given obligation from banks, which will be injected into the MSMEs as value. The public authority will work with ₹20,000 crore of subordinate obligation to MSMEs. For this reason, it will give ₹4,000 crore to the Credit Guarantee Fund Trust for Micro and Small Enterprises, which will give halfway credit ensure backing to banks giving credit under the plan.

Atma Nirbhar Swasth Bharat Yojana has acquired numerous units wellbeing related exercises in the ambit of MSME. Capital and framework venture can have valuable branch for MSME considerably during since quite a while ago run. Decrease in charge rates can have a constructive outcome of re-establishing speculation. The Modi government has dispatched MSME backing and effort program to support the development of the Pharma area in India. Under the program, the public authority has made different declarations and expectations that attention on admittance to credit, admittance to showcase, hand holding and assistance support measures and so on for MSME area. The Finance Minister Nirmala Sitharaman reported a large number of measures on June 28 2021, to give help to people just as organizations in the midst of Corona infection pandemic. The key features include:

- Around ₹1.1 Lakh crore credit ensure conspire for COVID influenced areas, ₹50000 crore – ₹60000 crore for wellbeing and different areas.
- New Credit Guarantee Scheme has been dispatched. This will offer credits to little borrowers through Micro Finance Institutions (MFIs).

Different plans like ASPIRE – A Scheme for Promotion of Innovation, Rural Industries and Entrepreneurship. The goal is to set up an organization of innovation focuses and hatching focuses to speed up business venture and elevate development to additionally fortify the intensity of the MSME area.

8.Computerized MSME:

The goal is to advance Information and Communication Technology (ICT) in MSME area by receiving ICT devices and applications in their creation and business measure. The plan is additionally pointed toward making mindfulness supporting turns of events and e-stages, making education, preparing and advancing computerized advertising in MSME areas to upgrade their presentation for more prominent seriousness with minimal expense and high effectiveness.

9.Mindfulness on IPR:

This plan intends to improve mindfulness among the MSMEs about Intellectual Property Rights-IPR (Patent, Trade mark, GI and so on), to take measures for securing their thoughts and business methodologies consequently helping them in innovation upgradation and upgrade of their seriousness.

10.Business and ability Development Program:

This plan is for yearning and existing business visionaries with a target to advance new ventures limit working of existing MSMEs and instilling innovative culture in the country. The advantages like augmenting the foundation of business by improvement and accomplishment, inspiration and enterprising expertise to the various areas of the general public can be gathered. Different plans like –

- MSE Cluster Development Program to help the maintainability and development of MSMEs, resolving the issues of innovation, abilities and amp; quality, market access and advancement of green and economical assembling innovation for the groups.
- National SC-ST Hub to offer proficient help to planned position and booked clan business visionaries to satisfy the commitments under the focal government public obtainment strategy for MSMEs.
- Skill upgradation and Mahila Coir Yojana to give independent work freedoms to country ladies craftsmans in districts preparing coconut husk.
- Interest Subsidy Eligibility Certificate for subsidizing Khadi Institutions enlisted with KVIC-Khadi and Village Industries Commission or KVIB-Khadi and Village Industries Board can benefit financing at concessional pace of interest.
- Rojgar Yukt Gaon conspire points toward advancement of Khadi and making of manageable business openings and change socio-monetarily bothered towns into reasonable and independent Khadi based undertakings.
- Mahatma Gandhi Institute for Rural Industrialisation plot means to help and speed up the cycle of rustic industrialisation in the nation to move towards the Gandhian vision of supportable town, financial independent in work and conveniences.

10.Conclusion

Arrangement of the legitimate modern framework, consistence with ecological laws, monetary help, upgradation in innovation and methodology makes MSMEs sufficiently able to challenge the worldwide contenders and fulfil the global prerequisite guidelines and interests of huge scope economies are procured. In the perspective on advancement to empower development and GNP and focusing on destitution decrease and producing work openings an unmistakably present day viewpoint to zero in on laying out the outcomes and determining a dynamic, compelling and helpful methodologies for spearheading MSMEs is indistinguishable from the essential credits and mentalities supported just as the innovation regarding the difficulties and worries of contemporary financial conditions, henceforth the reoriented monetary strategies and their suggestions and an extensive vision in distinguishing the capability of MSMEs could arise an astoundingly generous development of the country.

Idealistic methodology in advancing MSMEs through bundles and commencement of building foundation with pertinent upgradation help plans will restore the development of MSMEs and in this manner become the significant generator of work and critical supporter of the general development of the nation's economy. Simple admittance to advances gives wellbeing to activities of

MSMEs just as money to R&D focuses where SMEs can assume a solid part. Interest in R&D alongside inventive powerful pioneers and authoritative underlying models, approaches and arrangements in this area to fabricate a worldwide job in the light of developing worldwide market and empowering in building social business visionaries and associations should be received. Consequently, an extensive and key program is fundamental to renew MSMEs as a unique motor of comprehensive development.

Acknowledgement

Nil

Funding

No funding was received to carry out this study.

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