



Causes of MSMEs sickness and their revival in Haryana

Dr. Sanjay Kumar Hooda

Assistant Professor, Department of Commerce
Indira Gandhi University, Meerpur Rewari, Haryana

Abstract: *Micro Small and Medium enterprises (MSMEs) play a significant role in productivity, economic development and socio-economic development as well as help in unification of social objectives of the nation. After the development of globalization and liberalization, the Indian MSMEs have increased the significance of cross-border cooperation and coordination to stay in local markets as well as in global markets with the help of sound research and innovation. In spite of all the efforts made by the central government and state government for growth and development of MSMEs through the different national level and state level promotional policies but unfortunately the situation of MSMEs is still measurable. The MSMEs are constantly starving for procuring raw material, power failure, lacks of technological support, liquidity problem and skilled human resource problem which have resulted into sickness of MSMEs. Due to the persistence of such problems the MSMEs have continued to be sick leading to loss of employment to the people. In order to find out the chief factors responsible for the sickness of small scale industrial units in Haryana, the entrepreneurs were asked to list the order of preference in the structured questionnaire designed for the study. From the questionnaire it is found that the internal factors have a very low degree of influence in causing sickness of the units in Haryana.*

Key words: *MSMEs, enterprise sickness, causes and role of government, banks, NBFCs and HCGTC.*

Introduction:

Micro Small and Medium enterprises (MSMEs) play a significant role in productivity, economic development and socio-economic development as well as help in unification of social objectives to the nation. After the development of globalization and liberalization, the Indian MSMEs have increased the significance of cross-border cooperation and coordination to stay in local markets as well as in global markets with the help of sound research and innovation. The MSMEs makes efforts in major investment for the sound research and innovation base in area of finance, skills and technology to achieve for better outcomes in the forms of better quality product and services. The MSMEs are playing a vital role in the economic growth. According to the Reserve bank of India (2017) report for the year 2015-16, Micro Small and Medium enterprises (MSMEs) incorporated more than 51 million dedicating to providers of employment to more than 117 million persons. Approximately 20 percent of the country's MSMEs are running in the rural areas and they are providing approximately 40 percent employments for the rural areas labor. In the whole nation, more than 6,000 products are being manufactured by the MSMEs. As per the annual report of Working Group on Ministry of MSMEs for the period of 2012-2017, the average share was 46 percent of the manufacturing output and 40 percent of the total exports and MSMEs contribution share in the country GDP was found to be 29.39 percent in the year 2014-15 and 28.77 percent in 2015-16 (*RBI Report on DGSIS and Annual Report Ministry of MSMEs 2018-19*).

In spite of all the efforts made by the central government and state government for growth and development of MSMEs through the different national level and state level promotional policies but unfortunately the situation of MSMEs is still measurable. The MSMEs are constantly starving for procuring raw materials, power failure, lacks of technological support, liquidity problem and skilled human resource problem which has resulted into sickness of MSMEs. Due to the persistence of such problems the MSMEs have continued to be sick leading to loss of employment to the people. Approximately, 30 lakhs workers are likely to be affected due to the closure of sick units in the country. Out of 30 lakhs workers, 68 percent (more than two thirds) have been rendered workless in MSMEs alone in some past years (*Durga Prasad Navulla and G. Sunitha (2016)*). Moreover, all Micro Small and Medium enterprises (MSMEs) clusters (even the best performing ones) are constantly facing the competitive pressures from the international market due to phenomena of liberalization. Sickness in industry has assumed serious proportions with the result these has not only been lost of production and displacement of labor, but also prolific waste of scarce capital resources and consequential losses to the banks and other financial institutions providing working capital and term loan assistance. Sick industrial units are a hurdle to economic growth. Productivity in sick units is low and funds invested are blocked which can be recycled only by rehabilitation of such units by making the special provisions in their available industrial policies for MSMEs by both the central government and state government.

Review of Related Literature:

Islam and Ganguly (2019), described in their study entitled “Mediating effect of utilization in the relation between loan services from PSBs and capital formation of MSMEs: A study of Purba and Paschim Medinipur districts of West Bengal” that the MSMEs have been playing a vital role in the economic growth of national economy and prominent role in the socio-economic development of the country for the past some decades. The study is chosen to explore the elements believed under the utility of loan service provided by the public sector banks and financial institutions. With the help of multiple regression model and path analysis of the structural model, the researchers have made a model on the relation between utility of loan service, utilization of fund and capital formation in above said enterprises. The researchers found that the study exposed that loan service provided by public sector banks are influencing to utilize the issued fund effectively by the entrepreneurs but not directly influencing in the establishment of capital. Entrepreneurs have sufficient reasons to accentuate on utilization of funds of performance and future prospects of the enterprises.

Mukherjee (2018), depicted in his article entitled “Challenges to Indian Micro Small and Medium Enterprises in the era of globalization” made a deep analysis of how Indian MSMEs can compete itself for the global market because of many environmental challenges is available in various forms of different stages. It also revealed that the export earnings of MSMEs in India have not increased as compared to export earnings of MSMEs in abroad India for the past few decades. The researcher suggested that the MSMEs investors should take investment decision on the area of maximum investment in the new technology, research and development, digitalization opportunities rather than the investments in the area of traditional available chances. The findings of the study indicated that the Micro Small and Medium Enterprises of India needs to systematically upgrade their production and services by use of upgrade technology same as used by the globalised world.

Latif and Abdullah (2014) described in his article entitled “Detentions and Remedies for Industrial Sickness in Small Industrial Units of Bangladesh: A Study on Sick Industrial Units of Industrial estates in Sylhet Division” collected and evaluated data to find out the volume of industrial sickness through the statistics of bankruptcy, ratio of sick units to total units and sign of industrial sickness in both developed site and backward site. The researcher found that the sign of magnitude of causes of sickness had the same in both types of industrial estates. They suggested that the government should take appropriate decision to enhance the said industrial estates and provide plenteous opportunities for rehabilitation of small scale industries.

Singh (2015) described in his study entitled “Industrial Sickness in Small and Medium Scale industrial sectors in India: reasons and remedies” analyzed in three sections namely concept of industrial sickness, main reasons for industrial sickness and curatives measures of industrial sickness. The researcher concluded that industrial sickness assuming an epidemic shape creates to the executives, policy makers and stakeholders. It was revealed that the better and factual information system can develop a better coordination between Small and Medium Scale industries and large scale industries, where small scale businesses are more disposed to sickness when contrasted with medium and large scale industries.

Navulla and Sunitha (2016) in their article entitled “A study of industrial sickness in India” and revealed that the external factors were found more influential factors as compare to internal factors for causes of sickness of MSMEs in India. The researchers suggested that the management should adopt a policy of continuous improvements through better coordination and communication and they must be careful to deal with the concept of industrial sickness.

Krishna and Prasad described (2015) in their study entitled “A sustainable study on sickness of small scale industrial enterprises” that the symptoms of industrial sickness of small scale industries have decrease in turnover, decrease in net worth in continuous basis, declining in coordination and shortage of sufficient liquidity etc. The researchers suggested that the management should uses the latest cost control and cost reduction techniques and makes continuous improvements in production process, we can overcomes of these industrial symptoms of sickness of MSMEs. There have been notable contributions by Beaver (1967), Wilcox (1971), Altman (1968, 1977), Edmistor (1972), Shrivastava and Yadav (1986), LC Gupta (1983), John Argenti (1976), S.D. Tendulkar (2002), Boopanna Nagarjema (2003), M.R. Narayana (2004) and Bibek Debroy & Bhandri (2004) et al to the study of failure. Beaver (1967), analyzed the distress over 30 commonly used ratios for their ability to predict failure of SSI. A similar study also conducted by Altman (1968, 1977 he used combination of 22 ratios to predict the failure. A little research has been carried out in the field of sickness in India. S.D. Tendulkar (2002) has studied the problems of SSI units in the era of globalization. Boopanna Nagarjuna (2003) has conducted a research study on sickness in SSI in Ranga Reddy District and has stated that lack of demand is the major cause for sickness. M.R. Narayana (2004) has conducted a study on growth, sickness and closure of small scale industries in Karnataka. M.R. Naryana (2004) also studied the impact of WTO on SSI in India. Bibek Debroy and Bhandari (2004) have studied the post bankruptcy problems of SSI units. Mostly, all the above studies are descriptive in nature and summarize the survey data. Well-defined mathematical models have not been used to determine the stage of sickness.

Objectives of the Study

The objective of the study is to study the magnitude and causes of enterprises sickness of Micro Small and Medium Enterprises (MSMEs) and role of government to overcome of enterprises sickness suggesting in Haryana. It is also suggested the steps to make them viable in future or reducing rate of sickness in future.

Methodology

This study used exploratory cum diagnostic type of research design. The study is exploratory because it studies about the group of Micro Small and Medium Enterprises (MSMEs) of same characteristics. It is also diagnostic, because, it has studied the causes of enterprises sickness in MSMEs of the state. This study is based on primary as well as secondary data. For the purpose of collecting primary data 100 registered small scale units were selected on the basis of probability method from different Micro Small and Medium Enterprises (MSMEs). While selecting these units, enough care has been taken to see that these are representative of all types of industries and all the districts in Haryana. Detail of industries with number of samples size drawn is given as under:

Table: 1.1 Selection of Sample in percentage of 100 respondents out of total MSMEs in Haryana

S.No.	Name of Industry	No. of Sample of Enterprises	Item-wise total no. of MSME in 2009-10
1	Food Products	08	6163
2	Textile & Textile Products	09	6563
3	Hosiery and Garments	02	1247
4	Wooden Products	09	7212
5	Paper Products & Printing	01	849
6	Leather & Leather. Products	05	3486
7	Rubber & Plastic Products	03	2045
8	Chemical & Chemical Prod.	02	1640
9	Non-metallic Miner. Products	01	592
10	Metal Products	05	4122
11	Machinery & Parts (Except Elec.cal)	05	3773
12	Transport Equip.& Parts	01	452
13	Services & Repair	19	14283
14	Misc. Manufacturing serv. Products	30	23737
	Total	100	76164

The proportionate method has been used to collect the primary data for MSMEs. The item wise data of MSMEs was collected from the site of Department of Industries and Commerce, Government of Haryana. So, the sample size was taken by considering information's about MSMEs during the year 2009-10.

Data Collection Methods:

Primary Data: The primary data have been collected through questionnaire as well as interviews. Primary data are the main base of the study of enterprise sickness of Micro Small and Medium

Enterprise in the state. For this purpose we have undertaken intensive case studies of 100 selected small scale industries in Haryana. Primary data have been collected from financial managers/owners of MSMEs. The initial draft of questionnaires has been tested through pilot study of ten units and the shortcomings found in the questionnaire have been removed. The percentage methods were used to analyze the survey of data.

Secondary Data: Secondary data have been collected from Annual Reports of Working Groups of Micro Small and Medium Enterprises, Ministry of MSMEs, Government of India, Annual reports and financial data for commercial banks of Reserve Bank of India, SISI Karnal and Department of Industries and Commerce, Government of Haryana.

Definition of MSME:

In 2006, Ministry of Small Scale Industries, Government of India was enacted the Micro Small and Medium Enterprise Development Act 2006. Before to the enactment of the MSME Act 2006, small industries encompassed tiny, cottage, traditional, and village enterprises and MSEs in India were collectively termed as Small Scale Industries (SSIs) under the IDR Act, 1951. As per the MSME Act, 2006, the new definition and classification of MSMEs is as under:

Table: 1.2 Definition of MSME

Classification	Manufacturing Enterprise (Investment in Plant and Machinery)	Service Enterprise (Investment in Equipments)
Micro	Up to Rs. 25 Lakh	Up to Rs. 10 Lakh
Small	Above Rs. 25 Lakh to 05 Crore.	Above Rs. 10 Lakh to Rs. 02 Crore
Medium	Above Rs. 05 Crore to Rs. 10 Crore.	Above Rs. 02 Crore to Rs. 05 Crore

Source: Ministry of Micro, Small & Medium Enterprises, 2007 and Annual Report of Working Group of MSMEs (2018-19).

Role of Government:

Government of India and Government of Haryana have been taken many curative and preventive steps to remove the paths of causes of sickness of Micro Small and Medium enterprises (MSMEs). The ministry of MSMEs, Government of India has started various infrastructural developments and financial assistant schemes to promote the MSMEs. For the purpose of removing from deficiency in skilled human resource, the ministry of MSMEs is being conducted various workshops and special training programmes. Government of Haryana was established a skill university to remove the deficiencies in technical hands. The university has designed the syllabi according to requirements of technical hands as prescribed by all industries including MSMEs especially for NCR Region. The Ministry of Industries and Commerce, Haryana announced industrial policies on time to time to enhance of MSMEs in the state.

In 2018, for the enhancement purpose of Make in India, the Ministry of Finance decided to reduce the corporate tax rate from 30 percent to 25 percent of such industries whose turnover was of less than of 50 crore. The central government also decided to promote digital India and digital businesses, a lower tax rate of 6 percent was announced by the ministry of finance for those micro and small industries having turnover of less than Rs. 2.00 crore (as mentioned by Ministry of MSMEs, Government of India).

The Ministry of Industries and Commerce, Government of Haryana provides a comprehensive regulatory framework for easing the development of MSMEs in the state under the MSMEs Development Act 2006. The Act has been providing new investment opportunities in new technological upgraded areas for increasing the competitiveness of entrepreneurs since 2006. Under this Act 2006, the separate board was established, which has been providing the support to examine and identify with the factors that are responsible for increases the viability position of the sickness of MSMEs. In this Act, first time a combined legal framework was established by the department of industries and commerce, government of Haryana for recognition of the concept of enterprises which comprise contemporarily for both manufacturing and service sector enterprises. It has also defined to medium enterprises for first time and seeks to integrate the three tiers of enterprises namely Micro Small and Medium enterprises. In June 2006, Ministry of Small Scale Industries, Government of India had included the medium industries in the SSIs and thereafter, the new name of the ‘Micro Small and Medium Enterprises (MSMEs)’ came into existence.

In 2015, The Ministry of Industries and Commerce, Government of Haryana established a new Industrial Policy 2015 for provides the institutional strengthening and capacity building of MSMEs in the name of Haryana Enterprise Policy 2015. In this act Haryana government set up the Grievance Redressal Cell to quickly resolve the problems of MSMEs e.g. registration related problem, electricity problem or any requirements of departmental assistance and requirement of raw material etc., the Grievance Redressal Cell has executed as part of the proposed MSMEs. For that an online grievance management portal is operating 24 hours and 7days in the state for MSMEs under Haryana Enterprise Policy 2015. As per the government notification no. 49/43/2015-41B1, dated April18th 2016, the government of Haryana had announced the special exemption from electricity duty and open access charges for 7 years for all new MSMEs who are investing in ‘B’, ‘C’ and ‘D’ category block of the state as prescribed in ERP 2015.

Because of speedily changing into global markets and to keep up of the MSMEs in worldwide competitive markets, the Ministry of Industries and Commerce, Government of Haryana again formulated a comprehensive regulatory framework for the development of MSMEs in the name of Haryana MSME Policy 2019. The main purpose of this policy was to increase the competitiveness of MSMEs in global level. In this regard, the government is providing the better infrastructure facilities in key areas of the state including National capital Region. Haryana State Industrial and Infrastructure Development Corporation (HSIIDC) are working effectively to provide the world level infrastructure facilities to the investors of MSMEs (*Haryana MSME Policy 2019, Department of Industries and Commerce, Government of Haryana notification no. 25/03/2019-41B-1 dated 26/02/2019*).

In spite of all the efforts made by the central government and state government for growth and development of MSMEs through the different national level and state level promotional policies but unfortunately the situation of MSMEs is still measurable. The MSMEs are constantly starving for procuring raw materials, power failure, lacks of technological support, liquidity problem and skilled human resource problem which have resulted into sickness of MSMEs. Due to the persistence of such problems the MSMEs have continued to be sick leading to loss of employment to the people. Approximately, 30 lakhs workers are likely to be affected due to the closure of sick units in the

country. Out of 30 lakhs workers, 68 percent (more than two thirds) have been rendered workless in MSMEs alone in some past years (*Durga Prasad Navulla and G. Sunitha (2016)*).

Definition of Sick MSME:

As per the Micro Small and Medium Enterprises Development Act 2006, the Ministry of MSMEs had announced the definition of sick enterprise, if (a) any of the borrower account of the enterprise remains stands for three months or more. OR

(b) There is erosion in the net worth due to accumulated losses to the extent of 50% of its net worth during the previous accounting year (Ministry of Micro, Small & Medium Enterprises, 2007).

Outstanding credit of MSMEs:

As per the Reserve Bank of India report year 2018-19, the outstanding credit of MSMEs stood at 14.68 lakh crore, as on March 2018 in India. The amount of Rs. 13.24 lakh crore from commercial banks and Rs 1.44 lakh crore from Non Banking Financial Companies (NBFCs) were outstanding out of total outstanding amount Rs. 14.68 lakh crore.

Causes of Sickness:

Industrial units may become sick at different stages and due to different reasons. Generally causes of industrial sickness are divided into two categories: (i) External and (ii) Internal. The former includes factors which originate outside the units and therefore, are not under the control of unit such as power cuts, demand (or market) recession, erratic availability of inputs, government policies etc (the same object has been studied of Navulla and Sunitha, 2016). The latter includes factors which originate within the unit and can, therefore, be said to be under the control of the unit such as production, management, finance etc. Table no.1.3 explains the causes of sickness in SSIs.

So, in order to find out the chief factors responsible for the sickness of small scale industrial units in Haryana, the entrepreneurs were asked to list the order of preference in the structured questionnaire designed for the study. From the questionnaire it is found that the internal factors have a very low degree of influence in causing sickness of the units in Haryana. It is seen from the table 1.3 that only 33 percent of the small sick units mentioned lack of technology or absolute technology as one of the factors of sickness, while 12 percent of the units had labor troubles which led to the sickness of units. In contrast to this, the external factors have a major impact on sickness of the sample units as observed from the field study. As many as 71 percent units in the sample mentioned about lack of sufficient working capital leading to inconvenience in purchasing adequate raw materials and hence under utilization of capacity. All these acted in a cumulative manner to heighten sickness in the units. Around 62 percent of the units reported that inadequate and erratic supply of electricity to the units resulted in loss of production, 49 percent of the sample units opined that the availability of raw material as per their requirement is highly un-satisfactory. Whereas 55 percent units have spoken about marketing problems and lack of demand for the goods reduced them. Twenty nine (29 percent) units mentioned that delay in payment of goods sold to the government and other private parties blocked the circulation of their working capital which ultimately led to loss of confidence of commercial banks. As results the banks did not agree to finance further (the same object has been studied of Islam and Ganguli, 2019). In addition to the above factors stiff competition from the large

industry in the marketing of the product and natural calamity were also reported by a few units of their existing sickness. For the present state of sickness, the number of units reporting stiff competition comes to 21 percent the number of units reporting natural calamity comes to 9 percent. Sickness caused by above mentioned factors, however, varies from industry to industry and also unit to unit (See table 1.3). The main cause of sickness in case of food product industry is lack of working capital, inadequate supply of raw material, marketing problem, power problems and competition from large scale units (the same object has been studied of Mukherjee, 2018). In case of textile small scale units the main cause of sickness is lack of working capital, inadequate supply of raw material, power problem, delayed payment, lack of technological up gradation and competition from long scale units. In case of hosiery and garments main reason of sickness is lack of working capital, short supply of raw material, marketing and inadequate and erratic power supply. In case of wooden MSMEs, the main cause of sickness is lack of working capital, short supply of raw material, marketing of product, power, delayed payment and labor problems. In case of paper product the main causes are lack of working capital, short supply of raw material and marketing problem (the same object has been studied of Singh, 2015).

In case of leather and leather of MSMEs working capital, raw material, marketing of product, delayed payment, competition from large units and labor problems are the main cause sickness. Whereas rubbers and plastic product, chemical and chemical products, metal products, machinery and parts units have same type of causes of sickness like factors of working capital, short supply of raw material, inadequate supply of power and marketing of products. Whereas repair and services units bear lack of working capital, inadequate supply of power and lack of technological up gradation was the main cause. Apart from this marketing of services is also the reason of sickness of these units.

It is found out from the analysis that among the while sick sample units, 71 percent reported shortage of working capital as the major factor that affects the health of the units. However, 55 percent of the units also mentioned marketing problem and the lack of demand for the goods for their existing sickness. As such the inference may be drawn that in majority of cases it is not the shortage of working capital that brings sickness into the working of enterprises in Haryana but the lack of demand of the products. On the other hand, because of marketing problem and the lack of demand for the product, the recycling of fund gets checked resulting in shortage of working capital for the units and thus sickness (the same object has been studied of Krishna and Prasad, 2015).

To supplement the findings from the questionnaire informal discussion was held with a few entrepreneurs and workers. From this discussion, it was revealed that there are many internal and external factors coupled with the inherent institutional weakness such as a proper planning and project formulation, official red tapism and improper co-ordination between the various government departments that lead the individual industrial units to sickness from the very stage of its inception.

S.No	Category	No. of Units	Lack of Working Capital	Raw Materials Problem	Marketing Problem	Power Problem	Delay in Payment of Goods	Lack of Technology	Compet. From Larg. Ind	Labour Trouble	Natural Calamities
1	Food Products	8	4	5	4	6	2	3	4	1	2
2	Textile & Textile Products	9	7	3	4	8	5	5	4	1	0
3	Hosiery and Garments	2	2	1	1	2	0	0	0	0	0
4	Wooden Products	9	7	3	6	7	2	1	0	2	1
5	Paper Produ. & Printing	1	1	1	1	0	0	1	0	0	0
6	Leath&Leath. Products	5	4	2	3	1	3	0	2	2	0
7	Rubb.&Plastic Products	3	3	2	3	5	2	2	0	1	0
8	Chemi.& Chemi. Prod.	2	1	2	1	1	0	0	1	1	0
9	Non-metallic Miner. Prods	1	1	1	0	0	0	0	0	0	0
10	Metal Products	5	3	4	3	4	2	0	4	1	1
11	Machinery & Parts (Except Elec.cal)	5	5	3	2	4	1	4	3	1	1
12	Transport Equip.& Parts	1	1	0	0	0	0	0	0	0	0
13	Services & Repair	19	9	0	7	6	0	6	0	0	1
14	Misc. Manufact.se rv. Pr.	30	23	22	20	18	12	11	3	2	3
	Total	100	71 (71%)	49 (49%)	55 (55%)	62 (62%)	29 (29%)	33 (33%)	21 (21%)	12 (12%)	9 (09%)

Conclusion and Suggestions:

In the process of achieving rapid industrialization in the country the phenomenal increments under stress of sickness both in private and public sector undertaking has become a matter of concern for the government, financial institutions and industrial sector as well and has to be admitted that industrial sickness is not unique to India and Haryana as it is also being experienced in developed and industrialized countries.

Study also revealed that several internal and external factors independently or jointly make the individual firm(s) sick. Among the internal factors lack of managerial skill and innovativeness lack latest technology, absence of skilled manpower, growing strikes, lockouts and diversion of funds for un-productive uses and among external factors deficiency of factors like inadequate supply of raw material, working capital, electricity, lack of demand, delay disbursement of capital loan etc. As many as 71 percent units in the sample mentioned about lack of sufficient working capital leading to inconvenience in purchasing adequate raw materials and under utilization of capacity. Around 62 percent of the units reported that inadequate supply of electricity to the units resulted in loss of production, 49 percent of the sample units opined that the availability of raw material as per their requirement is highly un-satisfactory. Whereas, 55 percent units have spoken about marketing problems and lack of demand for the goods reduced them. All these acted in a cumulative manner to heighten sickness in the units.

Suggestions:

The study mainly focuses on causes of sickness and how the MSMEs of Haryana state can improve their position in the world-wide market through improvement in technological and the measures which can be acquired to solve the problems of stress of the MSMEs. They need to improve cost standards and quality standards and cost competitiveness through the latest cost control and cost reduction techniques.

The State government should provide a facility of Credit Guarantee Scheme for MSMEs and should also be set up a State Credit Guarantee Trustee Company (HCGTC) for state MSMEs under the direct supervision of Reserve Bank of India.

The state government should provide a facility of Unique Identification Number to all MSMEs of the state. They need to improve information system to analyze of future demand, market prospects, future market challenges, credit challenges, requirement of funds as per market situation and technology changes etc. The Unique Identification Number will be helpful to collect the information's like enterprise credit outstanding position and actual stress level of enterprise during production process etc. and government will be able to get support to them on right time.

The Government should establish state wise and district wise research centers for facilitates to all MSMEs and such research centers to be able to collect factual data of future demand of different products with cost and price at global level. They should also convert into meaningful information and circulate them to all MSMEs before time and governments should provide technological support to such production. China has already enacted for such type of policy and they are continuously facilitating to their MSMEs and result is shown in front of all. Now all world market have captured

by Chinese MSMEs. Where the whole world are suffering from Covid-19 epidemics and majority of countries are striving for procuring small medical equipments like masks, sanitizers, hands glosses, doctor kits, lab coats, lab kits and plastic equipments etc which had supplied by Chinese MSMEs on cheaper rates as compare to their local markets. Slowly-slowly majority of countries MSMEs are moving in sickness including Indian MSMEs are also constantly facing from such type of negligence. The government of India needs to improve their MSMEs for the global competition through improvement in technology. Commercial banks and NBFCs are not fully aware about the meaning and concept of enterprise sickness. They are not aware that how to providing the support to overcome to the stress of sickness. So, banks and NBFCs official's behavior should be more sensible when enterprise go into the stress situation. The internal and external auditors and field functionaries should also play a significant role to remove the causes of enterprise sickness at all level.

References:

1. Islam Sajjil and Ganguly Debdas (2019). Mediating effect of utilization in the relation between loan services from PSBs and capital formation of MSMEs: A study of Purba and Paschim Medinipur districts of West Bengal. *Journal of Global Entrepreneurship Research*. Available on <https://doi.org/10.1186/s40497-019-0181-3>.
 2. Mukherjee Sonia (2018). Challenges to Indian Micro Small and Medium Enterprises in the era of globalization. *Journal of Global Entrepreneurship Research*. Available on <https://doi.org/10.1186/s40497-018-0115-5>.
 3. Latif Abdul and Abdullah Abhu Syeed Muhammed (2014). Detentions and Remedies for Industrial Sickness in Small Industrial Units of Bangladesh: A Study on Sick Industrial Units of Industrial estates in Sylhet Division. *Researchers World- Journal of Arts Science and Commerce, V(2)*. Available at www.Researchworld.com.
 4. Singh Kuldeep (2015). Industrial Sickness in Small and Medium Scale industrial sectors in India: reasons and remedies. *ZENITH International Journal of Business Economics and Management Research*, 5(5), pp. 175-183. Available at zenithresearch.org.in.
 5. Navulla Durga Prasad and Sunitha G. (2016). A study of industrial sickness in India" *International Journal of Science Technology and Management*, 5(01).
 6. Sree Krishna and Prasad Hare described (2015). A sustainable study on sickness of small scale industrial enterprises. *International Journal of Research in Economics and Social Sciences (IJRESS)*, Vol. 6 Issue 11, pp. 259-274. Available online at: <http://euroasiapub.org>.
 7. Navulla Durgaprasad, Golla Siva Krishna and Sunitha G. (2016). Industrial sickness in India- a review of literature review. *International Journal of Research and Economics and Social Science (IJRESS)*. 6(11). Available online at: <http://euroasiapub.org>.
 8. Singh RamVerma O.P. and Anjum Bimal (2012). Small scale industry: An engine of growth. *ZENITH International Journal of Business Economics & Management Research*, 2(5). Online available at <http://zenithresearch.org.in/>.
 9. Kumar Nalla Bala Kalyan and Gugloth Sardar (2012). Micro small and medium enterprises in 21st century. *ZENITH International Journal of Business Economics & Management Research*, 2(5). Online available at <http://zenithresearch.org.in/>.
 10. Tundui Charles S. and Tundai Hawa P. (2018). profitability of women owned enterprises: a case of microcredit supported enterprises in Tanzania. *Journal of Global Entrepreneurship Research*. Available on [RePEc:spr:jglont:v:8:y:2018:i:1:d:10.1186_](https://doi.org/10.1186/s40497-018-0115-5)
-

s40497-018-0088-4.

11. Bisma Mannan Bisma and Abid Haleem Abid (2017). Understanding major dimensions and determinants that help in diffusion & adoption of product innovation: using AHP approach. *Journal of Global Entrepreneurship Research*. Available on <http://orcid.org/0000-0003-3183-5513>.
12. Gaspar Raymond E. (2017). Large firm dominance on country's entrepreneurship potentials. *Journal of Global Entrepreneurship Research*. Available on <http://orcid.org/10.1186/s40497-016-0060-0>
13. Working Group on Rehabilitation of sick MSMEs (2010). Ministry of MSMEs. Government of India.
14. Jain Swati (2014). Industrial sickness: causes and remedies. *Indian Streams Research Journal*, 4(3). Available online on <https://www.researchgate.net/publication/318014319>.
15. Report of the Expert Committee on Micro, Small and Medium Enterprises, June 2019. Reserve Bank of India.
16. Biswas, A., Srivastava, S., and Kumar, R. (2018). A study of the factors influencing the financing gap for the MSME sector. *International Journal of Management Studies*, 5(2), 69–80 Available online on: [https://doi.org/10.18843/ijms/v5i2\(2\)/10](https://doi.org/10.18843/ijms/v5i2(2)/10).
17. Chaniyara, S. (2012). A study on role of investment banks for development of Indian small and medium enterprises (Ph.D Thesis, Gujarat University, Ahmedabad, India). Retrieved from: <http://hdl.handle.net/10603/45397>.
18. Das P. and Das B. (2017). Characteristics and status of growth of micro manufacturing enterprises in West Bengal: An analysis based on NSSO unit level data. *SARVEKSHANA, PDOS 57 XXXII (3 & 4)* online available at: http://www.mospi.nic.in/sites/default/files/publication_reports/sarvekshna_102.
19. Rastogi M. K. and Yadava Prakash (2013). Analysis of remedies for revival of sick small units in Indian economy. *International Journal of Management and Business Studies*, 3(4). Online available at: <http://www.ijmbs.com/34/mkrastogi1.pdf>.
20. Dhar P.N. and H.F. Lydall (1961). The Role of Small Enterprises Indian Economy Development. *Asian Publishing House, Bombay*.
21. Somasundaram R. and Krishnaiah K. (2006). A model to categorize small scale units based on their performance. *The Economic Challenger*, 33(9).
22. Antony Valsamma (2003). Rehabilitation of sick SSI units: a few guidelines. *Southern Economist*.
23. Sickness in SSI sector. Final results: Third All India Census of Small Scale Industries (2001-02) *Published by the Office of DC (SSI) Ministry of SSI, Government of India, New Delhi, p. 61.*
24. F. Cherunilam (2003), Business and Government. *Himalya Publishing House, Delhi, p. 105.*
25. State Industrial Profile of Haryana (2002-03). *Small Industries Service Institute (SISI), Karnal, Government of India.*
26. Mulla N.I. and Bernnur B.C. (2002). Industrial sickness in SSIs: An empirical study", *Southern Economist, November, Vol. 41.*
27. Vethirajan C. (2004). Rehabilitation of sick SSI units in India. *An International Journal of Indias*. pp. 24-31.