Comparing annual income across different panchayats, we found that, in Bhagamunda, 45.1 per cent of population have annual income of less than 5000, 19.7 per cent of having income ranges from 5000 to 10000 and 35.2 per cent of having annual income above 10000. Contrast to Bhagamunda, in Ranagundi gram panchayat, more than 60 per cent of households reported of having annual income less than 5000. 61.2 per cent of households reported of having income less than 5000, 16.4 per cent of households have reported of having income ranges from 5000 to 10000 and 22.4 per cent of households have reported of having annual income above 10000. In Salijanga, 73.3 per cent of households reported of having annual income less than 5000, 11.7 per cent of households have reported of having income ranges from 5000 to 10000 and 15 per cent of households have annual income more than 10000. In Chitri, 33.3 per cent of households have reported of having annual income less than 5000, 36.8 per cent of households of having income ranges from 5000 to 10000 and 29.8 per cent of households of having income more than 10000.

### 4.2 Analysis on Households' Assets

Out of total sample household, 50.2 % of households reside in kutcha house, 26.5 % of household live in pucca house and 17.1 % of households have both pucca and kutcha house. Comparing between gram panchayats, we found that in Bhagamunda, 50 % of sample households have kutcha house, around 17 % of households have pucca house and 29.6 % of households reside in both kutcha and pucca house. In Ranagudi, 60 % of households have kutcha house, 22.4 % of households stay in pucca house and 10.4 % of households have mix-kutcha and pucca house. In Salijanga, 58.3 % of households reported that they have kutcha house, 23.3 % of households reported that they have pucca house and 6.7 % of households reported that they have both kutchha and pucca house. In Chitri, 31.6 % of households have kutcha house, 47.4 % of households have pucca house and 21.1 % of households have both kutcha and pucca house. From this, it can be said that majority of households still reside in kutcha house. Comparing four gram panchayats, only in Chitri around 48 households out of 100 have pucca house while in other three gram panchayats, more than 50 households out of 100 reside in kutcha house.

### 4.3. Social and Quality of Life

Under social and quality of life, we have taken education, women's decision making power. In all the four gram panchayats, in most of the households, we found that male members are decision makers. They take all the financial as well as social decision of their house. If we will see educational background of the households, in all four gram panchayats, situations are more or less similar. The educational status of head of the households is either illiterate or primary level. They are mostly illiterate; however, all households reported that their children or grandchildren are going to the school.

## 5. Conclusion and Recommendations

The baseline study was an attempt to have a broad understanding on the socio-economic conditions of four gram panchayats of two blocks in Jajpur and Keonjhar districts. From Jajpur we have taken Dangadi blocks and include Chitri, Salijanga and Ranagundi gram panchayats whereas from Keonjhar, we have taken Bhagamunda gram panchayats of Harichandanpur blocks. The study aims to build up a base line report on the socio-economic conditions of people living in these four gram panchayats. Based on this report, possible intervention can be suggested.

From the limited study, we found that the socio-economic condition of households is not very encouraging. There is a need of intervention in many fields in an integrated manner, possibly through technology enabled, market linked sustainable manner. There is a need for local value addition and local market creation through entrepreneurship (individual and community based) development.

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# CHAPTER TWENTY EIGHT

# Opportunities and Challenges of MSME Segment: A study on Odisha's Perspective

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## 1. Introduction:

Micro, Small, and Medium Enterprises (MSME) segment plays an important role in the economic growth of the country. MSMEs are apparent as extremely vibrant for sustained economic development and job creation. They provide to economic growth as well as decreasing poverty by creating jobs, invention, maximising the production capacity in addition to better communal parity. Over the past few decades, the MSME segment has developed as an extremely self-motivated segment in the Indian economy. The MSME segment not only plays a vital part in facilitating huge job creation at reasonably lesser capital cost besides assistance in the development of industries in rural as well as backward regions. The MSME segment is balancing to big scale manufacturing units as subsidiary units also provide tremendously in the area of socio-economic growth of the nation.

MSME Segment consisting of thirty-six million units as well as has provided employability of around eighty million persons in India. The MSME Segment with more than six thousand products provided around eight percent to GDP also fourty-five percent to the total manufacturing industry production in addition to the growth of fourty percent in exports. The MSME segment has the potential to boost the manufacturing unit's development around the nation then provides a vital supporting role as guide for comprehensive development.

On "9th May 2007", following towards a modification in the "Government of India (Allocation of Business) Rules, 1961", former "Ministry of Small Scale Industries" then the "Ministry of Agro and Rural Industries" had combined and come together to create the "Ministry of Micro, Small and Medium Enterprises (M/o MSME)". This Ministry is currently formulating strategies as well as encourages enables packages, schemes as well as arrangements in addition to televisions their application with an intention to supporting the MSME segment besides assistance them to grow in production capacity. The main accountability of up-gradation, as well as growth of the MSME segment, is the responsibility of the "State Governments". Nevertheless, the "Government of India" complements the contribution of the "State Governments" by means of numerous initiations. Therefore the MSME segment plays an important part and their administration is to contribute the States by its hard work to inspire entrepreneurship, job creation, and livelihood prospects as well as improve the attractiveness of the MSME segment in the transformed economic situation (Msme at a Glance, 2016).

As per "Odisha MSME Development Policy, 2016", "Odisha located in the eastern region of India, has a traditional past, a vibrant present then an enormous possibility for MSME segment. Odisha is correspondingly a treasure trove for natural resources. Odisha is finely associated through superficial transport, air as well as water. Odisha has a widespread rail in addition to the road system connecting numerous development epicenters. The State admittance to wide-reaching markets, existence of accomplished human resources, superior logistics, and well infrastructure in addition to an optimistic commercial atmosphere creates Odisha a preferred station designed for the corporate sector. Odisha's Gross State Domestic Production (GSDP) has improved at a Compound Annual Growth Rate (CAGR) of 10.23% from Rs.281450 crore to Rs.330200 crore between 2011-12 and 2015-16. Cumulative FDI inflows in Odisha from April 2010 to March 2016 stood at Rs.1027 crore. State Government has proclaimed strategies to smooth development in the manufacturing segment by means of year on year growth of 15% till 2020. Rendering to the Ministry of Commerce and Industry, total exports from Odisha in 2015-16 were valued at Rs.19746 crore. The value of exports from the state improved at a CAGR of 2.5% between 2006-07 and 2014-15. Odisha ranks high in the country in terms of the total value of mineral output. Throughout 2015-16, the total production of minerals in the state noted down at 239.45 million tonnes. The mineral resources of Odisha establish an arduous share in national deposits of Chromite 98%, Nickel 93%, Graphite 71%, Pyrophyllite 65%, Manganese 67%, Bauxite 59%, China Clay 31%, Fire Clay 25%, Dolomite 18%. Odisha is the fourth biggest producer of Coal as well as the fifth biggest producer of Iron ore in India".

As per "Odisha MSME Development Policy, 2015, Draft for Discussion", "Odisha has large reserves of 45,000 MT power grade coal deposits in Mahanadi Coal Field and Talcher Coal Field area. Odisha is the home to some of the leading public sector enterprises like HAL, and private companies like Tata Steel, Vedanta Aluminum, Aditya Birla, Jindal Steel, etc. Odisha receives unprecedented investments in steel, aluminum, power, refineries, and port. This opportunity a perfect platform and presents a huge opportunity for downstream and ancillary industries and for the MSME sector."

As per "Odisha MSME Development Policy, 2015, Draft for Discussion", "The MSME sector in Odisha has made a substantial contribution to the economic development in general and generation of employment and contribution to the exports in particular and has positioned itself only next to the agricultural sector in the State in terms of employment generation. MSME in