

## **Digital Platform and MSMEs – Government Initiatives, Opportunities & Challenges for MSMEs in Assam**

Archana Barman<sup>1</sup>, Dr. Monoshree Mahanta<sup>2</sup>

<sup>1</sup> *Research Scholar, Dept. of Business Administration, Gauhati University, India*

<sup>2</sup> *Associate Professor, Dept. of Business Administration, Gauhati University, India*

---

**Abstract:** The Micro, Small and Medium Enterprise (MSME) sector is the growth engine and backbone of our country making a large contribution towards the country's socio-economic development. Studies have found that MSMEs are facing lots of challenges. In the era of digitalization, MSMEs need to adopt digital technology to survive and flourish in the competitive business environment. Government of India has taken up many initiatives for development of MSME so that they can take a primary role in creating a 'Self-Reliant' economy as envisaged by our Honorable Prime Minister. Digital technology is one stop solution for the MSMEs and the Government has ushered in many schemes to make the MSMEs digitally empowered. Besides analyzing the different initiatives taken up by government to bring the MSMEs to the digital platform, this paper also explores the extent to which MSMEs has taken the benefits of these initiatives and identifies the driving forces and challenges faced by such enterprises in Assam. Findings reveal that though registration in the digital platforms has been done yet transactions done through digital platforms is very low. Lack of technological infrastructure and ICT knowledge are found to be the barriers.

**Keyword:** Challenges, Digitalization, Drivers, Govt. Initiatives, MSME

---

### **1. Introduction**

Micro, Small and Medium Enterprises (MSMEs) worldwide are considered as vehicles for sustainable growth of the economy. In any country, MSMEs have played a major role in the socio-economic development of the country by bringing down the regional disparity. In fact, huge employment generation has come from this sector. Small and medium enterprises function as the source of new enterprises, new innovative products, dynamic applications and flexible business forms [1]. In the process, they help meet the socio-economic needs and forms the zoning plans for the distribution of employment and income within the country [2]. In India, MSMEs have developed as a dynamic and vibrant sector contributing to the social and economic upliftment of the country by promoting entrepreneurship and generating larger employment opportunities. MSMEs are contributing to the inclusive industrial development of the country. They are now present in all domains across the economy, generating a diverse range of goods and services to meet the demand of the national and global market.

Though this sector plays an important role in an economy's growth, still it has less brand presence in the market. Moreover, this sector is largely unorganized as compared to the large sector. In today's cut throat competition, to make their brand presence and acquire market share, it is necessary that MSMEs should be equipped with all the modern marketing tools. Since marketing is a strategic business tool for the growth and survival of any business, it is considered as one of the important factors for MSME success. To strengthen the MSME in their marketing, Government can play a vital role. Government should give due consideration and boost up MSMEs in uplifting their marketing activities so that this sector can also compete equally in global market. Evolving technology has led to the emergence of new-age marketing tools. The role of the government as a facilitator in MSME success can never be downplayed. Infrastructure support by the Government will enable and motivate MSMEs to showcase their products and services along with their larger counterparts in the global marketplace. With the government's thrust on self-reliance, the scope for MSMEs in furthering their growth is immense. The Digital India campaign and various schemes for MSMEs have paved the way for MSMEs to make their presence felt in the digital platform.

This paper basically aims to do an analytical study on the new digital initiatives taken by the Government to boost up the MSME sector and how these schemes can help the MSMEs to adopt the digital platform and thereby bring revolution in the MSME sector. Further MSME perspectives on opportunities and challenges that arise in the process of digital technology adoption is understood through an empirical study.

The next section deals with a review of literature in the related field followed by the Methodology adopted, the Analysis and Findings section and finally the Conclusion section.

## **2. Literature Review**

The status of Indian MSMEs is comparatively better than its counterparts in Bangladesh & Pakistan [3]. About 36% of Pakistani SMEs have bank accounts where as about 46% Bangladeshi SMEs have bank accounts. In comparison, about 95% of Indian SMEs have their bank accounts [3]. More support from government is required to accelerate the growth of MSME. To compete in global platform, e-commerce can help the SMEs to overcome the several obstacles of the new business environment. E-commerce can also help the SMEs to expand their business by creating value added new services [4]. Information and communication technology has provided small and medium enterprises with an opportunity to widen their marketplace, and it enables them to communicate and provide products and services worldwide [5]. There are four ways in which adoption of ICT could contribute in the growth of organization: (a) recognition of organization, (b) providing more information to small businesses, (c) towards the organization exploration of new trade territories, and (d) enabling the enterprise to do business online [5].

Researchers have studied the relationship between environmental factors and the adoption of ICT. In a highly competitive environment, enterprises need to adopt IT to avoid being driven out of markets [6]. MSME sector which is highly competitive, need to adopt information technology. Information technology or internet enabled environment helps in speedy and precise decision making by the SMEs to increase mobility [5]. Digital transformation is going to give a big boost to Indian MSME's both in terms of business efficiency as well as contribution to country's economy [7]. Digitalization and technology upgradation serves as a tool for making MSME to be competitive enough to match the global requirements [8].

Lack of IT skills is one of the biggest reasons why most SMEs are not using ICT [5]. Most of the MSMEs in India lacks technological infrastructure and are technically backward [9]. MSMEs need to adopt information technology in this highly competitive environment and that government support can lead enterprises to pursue information technology adoption [9]. In fact, the Indian Government has come out with many schemes to help the MSMEs but without guidance to MSMEs, their proper implementation would be in doubt [9]. MSMEs are facing problems such as lack of technical support, lack of training initiatives for the entrepreneurs, difficulty in getting the financial support, inadequate infrastructure support, lack of expertise in marketing of the products, absence & non-affordability of advanced technology, severe competition from the national & international Players, absence of target markets for the products produced, inadequate support from the banking system for credit facility, scarcity of skilled labour, and inadequate information [10].

The literature review shows that digital transformation of MSME is very important and government support can play a significant role in sustainable and overall development of MSME to compete in the domestic market as well as to the global market. An understanding of the various schemes related to digitalization of MSMEs in India and their perception and behavior towards the various digital platforms that the Indian Government has launched would be a relevant area of study.

## **3. Objectives of the Study**

- To assess the current status of MSMEs in terms of number of registered MSMEs, their growth, contribution to employment and India's GDP.
- To understand the Indian Government's marketing support in terms of the major schemes launched to provide the MSMEs a digital platform.
- To assess the extent to which MSMEs in Assam has taken advantage of the government schemes
- To understand the drivers and challenges faced by MSMEs in digital platform.

## **4. Methodology**

This study has used both secondary and primary data to fulfil the stated objectives. The findings related to the first two objectives are based on the secondary data made available from various sources such as published reports of the MSME department, Govt. of India, Ministry of MSME's Annual Reports and relevant websites. For the third and fourth objectives, a survey has been carried out amongst 40 MSMEs based in Assam. The data has been presented in the form of Tables and interpretations have been made in light of the objectives of the study cited above.

## **5. Analysis and Findings**

Recently the Government of India has changed the classification of MSME. The new classification has come into effect from 1st July, 2020. Earlier it was classified based on the investment only but now the classification of MSME as a micro, small and medium enterprise is on the composite criteria as given in Table 1.

Table 1: Revised MSME Classification applicable w.e.f 1st July 2020

Composite Criteria: Investment in Plant & Machinery/equipment and Annual Turnover			
Classification	Micro	Small	Medium
Manufacturing Enterprises and Enterprises rendering Services	Investment in Plant and Machinery or Equipment: Not more than Rs.1 crore and  Annual Turnover: not more than Rs. 5 crore	Investment in Plant and Machinery or Equipment: Not more than Rs.10 crore and  Annual Turnover: not more than Rs. 50 crore	Investment in Plant and Machinery or Equipment: Not more than Rs.50 crore and  Annual Turnover: not more than Rs. 250 crore

Source: <https://dcmsme.gov.in>

### 5.1 Status of MSMEs In Indian Economy

The micro, small & medium enterprises (MSMEs) plays an important role in our economy. The MSMEs are widening their business across various sectors of the economy by producing a diverse range of products and services not only to cater to the demands of domestic market but also the demands of global markets. We have analyzed the MSME status with respect to the number of MSMEs (Table 2), employment generation (Table 3), MSME growth (Table 4) and contribution to the country's GDP (Table 5).

Table 2: Estimated number of MSMEs (activity-wise)

Activity Category	Estimated number of enterprises (in lakh) in 205-16			Share (%)
	Rural	Urban	Total	
Manufacturing	114.14	82.50	196.65	31
Electricity*	0.03	0.01	0.03	0
Trade	108.71	121.64	230.35	36
Other services	102.00	104.85	206.85	33
All	324.88	309.00	633.88	100

\*non-captive electricity generation and transmission

Source: Annual Report (2020-21), Ministry of MSME

From Table 2, it can be observed that the majority of the MSME are in the trading sector (36%) followed by others services (33%) and manufacturing (31%).

#### 5.1.1 Employment Generation

The role of MSMEs in employment generation is indicated in Table 3 according to the nature of activity viz., manufacturing, trade, services, electricity generation and transmission.

Table 3: Estimated employment in MSME sector (Broad Activity Category Wise)

Activity Category	Employment (in lakh) as in 2015-16			Share(%)
	Rural	Urban	Total	
Manufacturing	186.56	173.86	360.42	32
Trade	160.64	226.54	387.18	35
Other services	150.53	211.69	362.22	33
Electricity*	0.06	0.02	0.08	0
All	497.79	612.11	1109.90	100

\*non-captive electricity generation and transmission

Source: Annual Report (2020-21), Ministry of MSME

Table 3 shows that employment generation is marginally higher in the trading sectors (35%) compared to manufacturing (32%) and services (33%). Most probably reason could be that the number of MSMEs in this sector is comparatively higher as compared to the other categories.

#### 5.1.2 Growth of MSME

The MSME growth with respect to number of MSMEs and employment generation is presented in Table 4. As is evident the number of MSMEs grew at 6.43% during the period 2006-07 to 2015-16 while employment grew at 3.63% during the same period.

Table 4: Growth of MSME (Figures in Lakhs)

Parameter	NSS 73rd Round#, 2015-16	Fourth All India Census of MSMEs, 2006-07	Annual Compound Growth Rate (%)
No. of MSMEs (Total)	633.88	361.76	6.43
Manufacturing	196.65	115.00	6.14
Services	437.23	246.76	6.56
Employment (Total)	1109.89	805.24	3.63
Manufacturing	360.42	320.03	1.33
Services	749.47	485.21	4.95

Source: Ministry of MSME Annual Report (2018-19)

If we see the growth trend of MSME in our country there is positive growth either in number of MSME or in the generation of employment. If we see the report of Fourth All India Census of MSMEs, 2006-07 the number of MSMEs were 361.76 lakhs which has increased to almost double in 2015-16 as per NSS 73<sup>rd</sup> Round which shows the number of MSMEs in India as 633.88 lakhs.

### 5.1.3 Contribution of MSMEs to GDP at Current Price

As per the data available with Central Statistics Office (CSO), Ministry of Statistics & Programme Implementation, the contribution of MSME Sector in country's Gross Value Added (GVA) and Gross Domestic Product (GDP), at current prices for the 5-years period 2014-15 to 2018-19 is presented in Table 5.

Table 5: Year-wise Contribution to GVA and GDP

(Figures in Rs. Crores adjusted for FISIM3 at current prices)

Year	MSME GVA	Growth (%)	Total GVA	Share of MSME in GVA (%)	Total GDP	Share of MSME in GDP (in %)
2014-15	3658196	-----	11504279	31.80	12467959	29.34
2015-16	4059660	10.97	12574499	32.28	13771874	29.48
2016-17	4502129	10.90	13965200	32.24	15391669	29.25
2017-18	5086493	12.98	15513122	32.79	17098304	29.75
2018-19	5741765	12.88	17139962	33.50	18971237	30.27

Source: Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation

The contribution of GVA has grown in 2015-16 while marginally falling in 206-17 and thereafter showing a marginal growth trend. We can see a similar trend in case of its contribution to GDP

## 5.2 Major Digital Initiatives / Schemes Taken Up By The Government

The following paragraphs describes the different schemes brought out by the Govt. of India to provide various marketing support to the MSMEs.

### A. Udyog Aadhaar Memorandum (UAM) -Ease of Registration

Based on composite criteria of classification of MSMEs, the MSME Ministry has replaced the erstwhile process of filing of Udyog Aadhaar Memorandum by 'Udyam' registration on a portal developed by the MSME Ministry. Now the existing and prospective entrepreneurs may file their 'Udyam' Registration online on the portal: <https://udyamregistration.gov.in>.

As on 31.12.2020 a total number of 5,37,677 enterprises have registered under Manufacturing category whereas 8,65,058 enterprises registered under Service sector. The top 5 industrial sectors of registrations are – Food Products, Textile, Apparel, Fabricated Metal products and Machinery & equipments [11].

Table 6: Present Status of State-Wise Udyog Aadhar Registration (UAM)

S. No.	State/UT Name	Total Udyog Aadhaar	Micro	Small	Medium
1	Andaman and Nicobar Islands	5147	4159	943	45
2	Andhra Pradesh	286194	249275	35897	1022
3	Arunachal Pradesh	1230	703	493	34
4	Assam	9738	7089	2500	149
5	Bihar	850407	829322	20120	965
6	Chandigarh	8484	6926	1469	89
7	Chhattisgarh	47205	39633	7292	280
8	Dadar and Nagar Haveli	3843	2597	1147	99
9	Daman And Diu	2038	1078	880	80
10	Delhi	120863	95487	24236	1140
11	Goa	6379	4532	1752	95
12	Gujarat	695910	586651	104647	4612
13	Haryana	137732	109659	26711	1362
14	Himachal Pradesh	11364	8057	3030	277
15	Jammu And Kashmir	7341	5650	1608	83
16	Jharkhand	130471	120715	9436	320
17	Karnataka	249790	202001	45689	2100
18	Kerala	95665	80271	14783	611
19	Lakshadweep	82	72	10	0
20	Madhya Pradesh	697732	661833	34791	1108
21	Maharashtra	1295533	1132632	155997	6904
22	Manipur	27547	23620	3873	54
23	Meghalaya	1845	1671	164	10
24	Mizoram	2411	1837	546	28
25	Nagaland	1009	759	240	10
26	Odisha	92097	81650	10084	363
27	Puducherry	8171	6627	1487	57
28	Punjab	154071	129971	23331	769
29	Rajasthan	457479	408307	47525	1647
30	Sikkim	697	458	210	29
31	Tamil Nadu	864526	759847	101861	2818
32	Telangana	246085	184657	59808	1620
33	Tripura	4695	4136	536	23
34	Uttar Pradesh	753753	699718	51680	2355
35	Uttarakhand	30754	25627	4764	363
36	West Bengal	183131	164246	17995	890
Total:-		7491419	6641473	817535	32411

Source: [www.msme.gov.in](http://www.msme.gov.in)

From the above Table it is clear that the top 5 States in UAM registration are Maharashtra, Tamil Nadu, Bihar, Uttar Pradesh and Madhya Pradesh whereas the bottom five States in UAM registration are Lakshadweep, Sikkim, Arunachal Pradesh, Nagaland, Meghalaya.

#### **B. MSME Data Bank**

For facilitating the promotion and development and enhancing the competitiveness of MSMEs, the Ministry of MSME vide Gazette Notification No. 750(E) dated 29.07.2016 had notified the MSME Development (Furnishing of information Rules, 2016) under which all MSMEs are to furnish information relating to their enterprises online to the Central Government in the data bank maintained by it at [www.msmedatabank.in](http://www.msmedatabank.in). This data bank will enable Ministry of MSME to streamline and monitor the schemes and pass on the benefits directly to MSMEs. It will also provide the real-time information about the status of MSMEs under various parameters. Data Bank is helpful to MSME units, who can now update their enterprise information as and when required without visiting any government office and also update information about their products and services, which can be accessed by government departments to do procurement under Public Procurement Policy of the Government of India. More than 1.61 lakh units have been registered (upto 30thMay 2019) under MSME Data Bank since issuance of its notification.

#### **C. My MSME**

To facilitate the enterprises to take benefits of various schemes, the Office of Development Commissioner, MSME office has launched a web-based application module, namely, My MSME. This has also been converted into a mobile app. Entrepreneurs will be able to make their applications and track it on their mobile itself.

#### **D. Digital MSME Scheme**

This main objective of this scheme is to make the MSMEs digitally empowered and to motivate them to use ICT tools in the production and business process to enhance the competitiveness in national and international markets. Moreover, the schemes aim to enable MSMEs to upgrade their managerial and technical knowledge through online content and to evolve internal efficiencies. The previous version of MyMSME which has been launched in 2017 has provision to provide subsidy to MSMEs for using cloud based software. The new version of 2019 has been conceived keeping in mind the diverse need of digitalization of the sector.

#### **E. Digital Payments**

Government of India is making efforts for promoting a cashless economy and to provide the facility of seamless digital payment to all citizens of India in a convenient manner. Promotion of digital payments has been accorded highest priority by the Government of India to bring each and every segment of our country under the formal fold of digital payment services. The Vision is to provide facility of seamless digital payment to all citizens of India in a convenient, easy, affordable, quick and secured manner.

In Digital India Award given by Ministry of Electronics & Information Technology, Ministry of MSME got Open Data Champion Award (2020) for enabling digital platforms for all sectors of MSMEs.

#### **F. MSME-SAMBANDH**

The Ministry of Micro, Small and Medium Enterprises notified the Public Procurement Policy for Micro and Small Enterprises which mandates 20% of annual procurement from MSMEs including 4% from enterprises owned by SC/ST entrepreneurs by the Central Ministries/ Departments and Central Public Sector Enterprises (CPSEs). For effective implementation and monitoring of the policy, the Ministry launched the Public Procurement Portal titled "MSME-SAMBANDH" on 08.12.2017.

The portal would help in monitoring the procurement by Central Government Ministries, Departments and Central Public Sector Enterprises (CPSEs) and would enable them to share the list of required products/services from MSMEs. As on 31.12.2020 a total number of 111 CPSEs have uploaded details for 2020-21. These CPSEs have reported procurement of 57016.60 crore. The share of purchases from all MSEs amount to Rs 18963.05 crore (89911 MSEs benefited) which work out to be 33.26 % of the total procurement. The amount purchased from SC/ST owned MSEs amounts to Rs. 18963.05 crores (89911 MSE benefited) which work out to be 33.26% of the total procurement. The amount of purchases from women owned MSEs amounts to Rs. 357.81 crore (2374 MSEs benefited)

#### **G. MSME SAMADHAN**

The objective of this scheme is to provide assistance to MSMEs in keeping track of pending payments from different institutes. The grievance redressal mechanism of this scheme is based on digital technology. This is helping the MSME to take a leap ahead toward the adoption of digital technology.

**H. MSME Global Mart (E-marketing/ Digital Services facilitation for MSMEs)**

MSMEs are also facilitated with E-marketing service through MSME Global Mart Web portal ([www.msmemart.com](http://www.msmemart.com)). It is a global business to business (b2B) portal facilitating services to Micro, Small & Medium Enterprises (MSMEs) to help them grow their business online. MSME Mart is India's largest online marketplace (B2B) Business-to-Business which facilitates the growth of medium and small scale enterprises for showcasing their products and services through the web portal.

During the period 2019-20, 25,157 units were registered under B2B portal. For the year 2020-21, 38,070 number of members enrolled up to 31<sup>st</sup> December, 2020. Revenue generated during the year up to 31<sup>st</sup> December, 2020 through B2B portal is Rs.1.93 crore.

**I. Champions Portal**

The Champions (Creation and Harmonious Application of Modern process for Increasing the Output and National Strength), a technology platform was launched by Prime Minister Shri Narendra Modi on 1<sup>st</sup> June 2020. The portal is basically to make the smaller units big by solving their grievances, encouraging, supporting, helping and handholding. In other words, it can be said that it is a one stop solution of MSME ministry. This technology is set up to help the MSMEs to tackle the present difficult situation and also handhold them to become national and international champions.

**5.3 MSMEs In Assam And Digital Marketing Platform**

Further a descriptive study was carried out to understand the extent of MSME presence on digital platforms; the source of information regarding the digital platforms; the nature and frequency of activities on these platforms; reasons for registering; & not registering and; the type of government support. The findings are based on primary data collected using convenience sampling through personal contact. Moreover, a personal interview was conducted with the proprietor or the concerned authority of the MSME to get the insight to what extent MSMEs are performing business on the digital platform. A total of 40 MSMEs were visited for getting the questionnaire filled up and simultaneously personal interviews were done.

Table 7: Sample Profile

Characteristics	Category	Frequency	Percentage (%)
Age	20-25	8	20
	25-30	12	30
	30-35	16	40
	35-40	4	10
	Above 40	0	0
	Total	40	100
Gender	Male	33	82.50
	Female	7	17.50
	Total	40	100
Number of Years	0-5	19	47.50
	5-10	10	25
	10-15	6	15
	15-20	3	7.5
	Above 20	2	5
	Total	40	100
Forms of Registration	Micro	24	60
	Small	12	30
	Medium	4	10
	Total	40	100
Nature of Business	Manufacturing	18	45
	Trading	13	32.5
	Other Services	9	22.5
	Total	40	100

The sample profile given in Table 7 shows that 40% of the respondents belong to the age group of 30-35 years; majority (82.5%) of the respondents are male; 47.5% of the registered MSMEs are new (0-5 years) in business; majority (60%) are registered as Micro enterprise and; 45% of the units are in the manufacturing sector.

Table 8.: Registration under Digital platform

Registered under		Frequency	Percentage
<a href="http://www.msmeshopping.com">www.msmeshopping.com</a>	Yes	13	32.50
	No	27	67.50
	Total	40	100
<a href="http://www.msmemart.com">www.msmemart.com</a>	Yes	5	12.5
	No	35	87.5
	Total	40	100
<a href="http://www.gem.gov.in">www.gem.gov.in</a>	Yes	24	60
	No	16	40
	Total	40	100

From Table 8 it has been observed that most of the MSMEs viz., 67.5% and 87.5% have not done the registration in [www.msmeshopping.com](http://www.msmeshopping.com) and [www.msmemart.com](http://www.msmemart.com) respectively. However, majority (60%) have registered at [www.gem.gov.in](http://www.gem.gov.in).

Table 9: Source of Information Regarding the Digital Platforms

	Frequency	Percentage
Advertisement	12	30
MSME department	14	35
Reference	6	15
Self (visiting website)	8	20
Total	40	100

From Table 9 it has been observed that respondents have mostly come to know about the digital platforms through the MSME Department (35%) followed by advertisement (30%).

Table10. MSME Transaction on Digital Platforms

		Frequency	Percentage
Buying /selling through the websites			
	Yes	3	7.5
	No	37	92.5

Table 10 shows that though registration has been done by MSME in digital platform but the transaction done through digital platform is very low (7.5%). It is pertinent to find out the reasons for this behavior.

#### 5.4 Driving Forces and Challenges In Digital Platform - MSME Perspective

A personal interview was conducted to gain insight into the driving forces for MSME registration in the digital platform and also to know the challenges that discourages the units to register in digital platforms. The findings are presented in the following paragraphs citing the driving forces followed by the challenges.

##### 5.4.1 Driving Forces

- a. New Business Opportunity: Many MSME entrepreneur those who have done the registration in the digital platform states that they have done the registration expecting that this will help them to get a new business opportunity.
- b. Enhance the image of the Organization: Some of the entrepreneur when they are asked about the reason for registration, they have answered that in this competitive environment there is a requirement to have a good image for the organization. According to them having access to the digital sites will be enhancing the image of the organization and will create a good brand name.
- c. Govt. Pressure: Many entrepreneur state that they have done the registration due to the pressure from the Government. Though many initiative has been taken by government for the betterment of the MSME, to avail that benefit the registration is required.
- d. Pressure from supplier. According to many MSME entrepreneur, they have done the registration because of the pressure for the government. Most of the supplier are working on the digital platform hence they also pressurize the MSME entrepreneur to do the registration in the digital platform.



- e. To impress Customer: One of the reason for doing the registration in the digital platform is to impress the customer. As we already know, more than 50 percent of the population of India is using Internet hence it is very much necessary for the business to give access to the digital platform.
- f. Competition: Competition also plays an important role for the registration. To sustain in this competitive environment is necessary for the MSME to be at par with the industry standard.
- g. Increase Revenue. Digital platform allows a business to do the business globally. It is easy for a business to cater the needs of the customer around the globe.

#### **5.4.2 Challenges**

- a. Lack of ICT knowledge: Most of the entrepreneurs have not done the registration in the digital platform because they don't have the adequate ICT knowledge. They are not properly educated and have a fear in using ICT.
- b. Lack of Technology infrastructure: Another issue most of the entrepreneurs are having is that they don't have the proper technology infrastructure. If government can provide support in building the technology infrastructure, then surely they will access the digital platform
- c. Inadequate support from the Government: Most of the entrepreneur stated that they are aware that Government is taking various initiatives for the development of MSME. But these might be in paper only. In reality, they are not getting the support from the government in terms of training, financial assistance etc.

### **6. Conclusion**

The small and medium enterprises in India play a major role in the national economy in terms of output, export and employment generation. Though this sector plays an important role in an economy's growth, still it has less brand presence in the market. The thrust on the use of technology by the Indian Government has led to substantial change in the digitalization of MSMEs. The growing trend of digitalization in MSMEs is due to the better technological platforms and global marketing facility to expand the business. Other marketing support seen in the last 5 years includes MSME-SAMBANDH, seamless digital payments, MSME Databank, e-marketing platforms (e.g. msmemart.com) and up-gradation of managerial & technical knowledge.

The empirical study conducted amongst the MSMEs in Assam reveals that though registration in the digital platforms have been done yet transactions done through digital platforms is very low. The MSME units have registered because they feel it will lead to new business opportunities, be more competitive, ease government pressure, pressure from suppliers, access global markets, meet customer demand for online transaction and enhance image. However, challenges such as lack of technological infrastructure, lack of ICT knowledge and low government assistance for technological skill up-gradation and finance are creating a barrier for MSMEs to adopt the digital platforms for doing transactions. Majority of the entrepreneurs state that government has taken very good initiatives for the MSMEs but practically most of the MSME could not avail this benefit due to the poor implementation process of the Government. The government should provide adequate training, technical assistance as well as financial support to motivate the MSMEs to adopt the digital technology. Government also needs to understand and assess the real needs of MSMEs and then devise the appropriate strategy rather than formulating a general strategy. At the same time, MSME entrepreneurs are also required to provide their full support to the Government initiatives for the digitalization of MSMEs.

Future studies may look into the impact of digitalization on MSME performance in Assam. Our study sample is limited and therefore the results cannot be generalized. Future studies with larger samples may be conducted to understand adoption behavior. A quantitative study can be done to understand whether region-specific factors influence adoption behavior of MSMEs.

### **References**

- [1]. Tambunan, T.T.H., The Impact of the 2008-2009 Global Economic Crises on a Developing Country's Economy: Studies from Indonesia, *Journal of Business and Economics*, 2(3), 2011, 175-197.
- [2]. Singh R.K., Garg, D. Challenges and Strategies for Competitiveness of SMEs: A Case Study in the Indian Context, *International Journal of Services and Operations Management*, 4(2), 2008, 181-200.
- [3]. Ghatak, S, Micro, Small and Medium Enterprises (MSMEs) in India: An Appraisal, *Journal of Technology Management & Innovation*, 6.1, 2010, 66-76.
- [4]. Savrul, M., Incekara, A., Sener, S., The Potential of E-commerce for SMEs in a Globalizing Business, Environment, *Procedia - Social and Behavioral Sciences*, 150, 2014, 35 – 45
- [5]. Ashrafi, R. Sharma, S.K., Al-Bedi, A.H. & AlGharbi. K., Achieving Business Success through Information and Communication Technologies Adoption by Small and Medium Enterprises in Oman, *Middle-East Journal of Scientific Research*, 22(1), 2014, 138-146.

- [6]. Das, S. & Das, K.K, Small Factors influencing the Information Technology Adoption of Micro, Small and Medium Enterprises (MSME):An Empirical Study, *International Journal of Engineering Research* 2(3), 2012, 112-119.
- [7]. Mishra, P., Study on Impact of Digital Transformation on MSME Growth Prospects, *International Journal of Research and Analytical Reviews*, Vol. 6 Issue 1 Jan – March, 2019.
- [8]. Vivek, V. & Chandrasekhar, K., Digitalization of MSMEs in India in Context to Industry 4.0: Challenges and Opportunities. *International Journal of Advanced Science and Technology*, Vol. 28, No. 19, 2019, 937 – 943.
- [9]. Biswas, A., Impact of Technology on MSME Sector in India, *EPRA International Journal of Economic and Business Review*, Vol. 3, No.2, 2015, 129-13.
- [10]. Kumar, V., An Analysis of Growth of MSMEs in India and their Contribution in Employment and GDP of the country, *International Journal of Interdisciplinary and Multidisciplinary Studies (IJIMS)*, Vol 4, No. 2, 2017, 187-191.
- [11]. Analysis of Udyam Registration Data, Bulletin III, [https://:udyamregistration .gov.in](https://udyamregistration.gov.in)