

EMPIRICAL STUDY ON GROWTH OF MICRO, SMALL AND MEDIUM ENTERPRISES IN ANDHRA PRADESH WITH REFERENCE TO NTR-KRISHNA, GUNTUR DISTRICTS

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ABSTRACT

In its MSME policy (2015-20) the AP State has spelt out the thrust areas with impetus on several developmental areas. A measure like addressing incipient sickness is really appreciable where an institutional set-up will catch industrial sickness at the beginning itself. It speaks of the pro-active mindset of the Government to tackle problems at the inception stage itself rather than allowing them to take unmanageable proportions. An initiative like the SME Exchange is another praise-worthy step that would facilitate fund raising by MSMEs directly from the market. This article reviews the trends in growth of MSMEs in two important districts of Andhra Pradesh – Guntur and Krishna. It will also discuss the problems of MSME growth in these two districts based on both primary and secondary data.

1. Introduction

In Andhra Pradesh, MSMEs have grown consistently in all three parameters: the number of MSMEs, investment, and employment. The CAGRs for the number of MSMEs, investment, and employment work out to 8.22%, 36.10, and 11.60%, respectively. All three CAGRs for the number of MSMEs are healthy and reflect a strong performance by the MSMEs. The numbers vouch for the government's implementation of policy measures. Frequently, we discover that policies, strategies, visions, missions, and so forth exist solely on paper. Their visibility on the ground is far too low. But in Andhra Pradesh, the growth trajectory has been highly impressive and speaks volumes about the efforts made in the actual implementation of things. For a highly populated country like India, a CAGR in employment of more than 10% for over 20 years is indeed a robust performance by all means. Amidst the invasion offf the employment level is increasing amidst the invasion of technology, it suggests that the quality of education and employability skills have also improved. story in Andhra Pradesh is not just about numbers. It is also inclusive and qualitative growth, which is a very difficult thing to achieve on a sustained basis. However, the state has not evenly distributed the growth. Therefore, while the state's development has been commendable, the situation varies by region and district. This is a common occurrence across the entire state. For example, in Maharashtra, places like Western Maharashtra, which has centers like Mumbai and Pune, show tremendous



growth, while areas like Marathwada and Vidarbha are lagging behind. This article examines the growth trends of MSMEs in two important districts of Andhra Pradesh: Guntur and Krishna. It will also discuss the prospect of MSME growth in these two districts based on primary and secondary data. We collected primary data from 200 MSME entrepreneurs in Guntur and NTR-Krishna districts. The sample questionnaire used for the primary data collection is given at the end of the article in the form of an annexure.

2. Profile of Guntur and Krishna District

Guntur is one of the nine coastal districts of Andhra Pradesh. The position is between 15° 18' and 16° 50' north latitude and 70° 10' and 80° 55' east longitude. It is surrounded by the districts of Krishna and Nalgonda to the north, Prakasam and Mahabubnagar to the west, Prakasam district to the south, Krishna district to the east, and the Bay of Bengal to the east. The district's coastline is 42 kilometers. The district covers 11328 square kilometers, accounting for 4.12% of the state's total land area. Guntur district is 33 meters above sea level. The terrain is primarily flat, with a few hill ranges. The climate has hot summers and cold winters. Rentachintala, situated in the state, has the record for the hottest temperature ever recorded, hitting 50 degrees Celsius. The lowest temperature throughout the winter is about 5 degrees Celsius. During the south-west monsoon, the district receives an average yearly precipitation of 830 mm. Guntur district is divided into three revenue divisions: Guntur, Tenali, and Narsaraopeta. The district is divided into 57 Mandals and 729 Revenue Villages. The primary tourist attractions are the Ethipothala waterfalls near Macherla, the Kottappa Konda shrine, the Amaravathi stupas, the Nagarjunsagar dam, and the Managalgiri temple. According to the 2011 Census, the district has a population of around 4.8 million, with two-thirds (3.2 million) living in rural regions and one-third (1.6 million) in urban areas. The district's claimed literacy rate was 68%. There are around 4000 elementary and secondary schools, over 300 postsecondary institutions, and approximately 150 institutes of higher learning. A total of 38 banks maintained around 370 branches in the region. There are 61 regional rural banks and 43 private banks. The allopathic hospitals have more than 2500 beds.

Krishna district is one of the nine coastal districts of Andhra Pradesh. The area is bordered by the Bay of Bengal to the east and south, West Godavari to the northeast, Guntur and Nalgonda districts to the west, and Khammam district in the north. The district covers around 8727 square kilometers. Krishna district's coastline is 88 kilometers long. The administrative center is at Machilipatnam, while Vijayawada serves as the key economic hub. According to the 2011 Census, the district's population is around 4.5 million, with 60% (2.7 million) living in rural regions and 40% (1.8



million) living in urban areas. There are around 4000 elementary and secondary educational institutions, over 300 postsecondary schools, and approximately 150 institutes of higher learning. The region is home to 445 bank branches. Additionally, there are 51 regional rural banks. The allopathic hospitals have more than 1700 beds.

3. Review of MSME growth in the two districts

Guntur District

As per the Govt. District MSME report following is the status of the industrial areas -

Esta te No.	Land Acquired (acres)	Land Acquired (SqMts)	Land Developed (SqMtrs)	Land Rate Per Sqm	Total No. of Plots	Total No. of Structures	Alloted Plots	Alloted Structures	Units in Productio n
1	105.42	426635	272403	3000	661	131	660	131	741
2	46.22	187052	112435	3000	188	32	188	32	181
3	92.36	373781	147654	3000	1440	51	1407	51	465
4	54.87	222059	125362	2250	479	0	479	0	433
5	11.31	45772	45772	0	1	0	0	0	0
6	11.38	46054	46055	0	1	0	0	0	0
7	46.77	189278	132521	700	62	0	62	0	41
8	20.99	84946	48099	550	80	8	80	8	25
9	8.61	34844	25818	2000	38	4	38	4	31
10	63.93	258725	162228	3000	439	0	439	0	394
11	39.09	158197	124871	3000	159	12	159	12	137
12	22.18	89762	64014	3000	47	0	47	0	41
13	29.6	119791	79513	3000	21	0	7	0	3
14	48.98	198222	136989	300	96	6	96	6	74
15	76.85	311011	251552	350	22	0	14	0	14
16	25	101175	82294	2000	59	4	59	4	45
17	73.17	296119	208422	1700	59	12	58	12	56
18	9.65	39053	19722	1100	18	10	16	10	15
19	4.94	19992	13976	2000	24	0	24	0	16
20	1.2	4856	2306	0	1	10	0	10	6
Tot	792.52	3207324	2102006	1698	3895	280	3833	280	2718

Table 1 – Status of industrial areas of Guntur

Around 800 acres of land have been set aside for 20 industrial sectors. The 32 lakh-square-meter industrial development site has 21 lakh square meters built. Equals 66%. Cost per square meter varies greatly. Minimum charge is Rs. 300 per square meter; maximum is Rs. 3000. The variation's mean pricing is Rs. 1700 per square meter. However, most estates charge Rs. 3000 per square meter. Only 3833 of 3895 plots were granted. Fully 280 buildings are assigned. These 20 estates



have 2718 flats. Average estate distribution should have been 136 units for homogeneity. The standard deviation of 206 units shows that the 2718 unit allotment is wide. Only five of the twenty estates account for about 80% of the apartments. Estate 1's Autonagar (AN) Guntur Phases I and II have 741 units, 27% of the 2718 total. Autonagar (AN) Guntur Phase IV contains 465 units and Phase III 433. All estates except APIIC_Manga Lagiri (394 units) have failed to gather pace. This suggests just the beginning was successful. In other words, industrial MSME development has been disappointing. Only 14 of the 20 locations produce 367 units, or 14%, of the 2718 units. Thus, development disparities are clear.

Krishna and NTR District

As per the Govt. District MSME report following is the status of the industrial areas -

Estate Number	Land Acquired (acres)	Land Acquired (SqMts)	Land Developed (SqMtrs)	Land Rate Per Sqm	Total No. of Plots	Total No. of Struct ures	Alloted Plots	Alloted Structure s	Units in Product ion
1	41	165927	103970	1000	264	0	257	0	255
2	45.26	183167	111736	1200	325	0	325	0	322
3	115.94	469209	306710	8000	781	0	781	0	743
4	32.34	130880	130880	8000	1	0	0	0	0
5	54.54	220723	220725	0	2	0	2	0	1
6	10.4	42089	41867	1500	5	0	5	0	4
7	3.11	12586	12587	2250	1	0	1	0	0
8	34.07	137881	96308	0	109	0	109	0	97
9	99.91	404336	213380	1200	201	0	196	0	92
10	438.19	1773355	1422364	2500	492	29	491	30	322
11	20	80940	53139	1000	50	0	50	0	33
12	14.91	60341	37744	1000	42	0	37	0	31
13	36.82	149011	94506	1000	135	0	133	0	52
14	53.93	218255	128553	11200	64	34	64	34	85
15	30.17	122098	107812	1500	1	0	1	0	0
16	275.68	1115677	695759	8000	1185	75	1185	75	798
17	48.83	197615	113137	0	258	0	258	0	239
Total	1355.1	5484090	3891177	2903	3916	138	3895	139	3074

Three hundred and fifty-five acres of land have been set aside by the district for the establishment of seventeen industrial zones. Although around 39 lakh square meters of land has already been



Dr. Srinivasa Rao Kasisomayajula

developed, the total land area that has been purchased for industrial development is approximately 55 lakh square meters. When presented as a percentage, the number is considered to be 71%. There is a significant amount of variation in the rates per square meter. From the lowest cost of Rs. 1000 per square meter to the maximum price of Rs. 8000 per square meter, the range of prices is rather remarkable. When the variety is taken into account, the average rate is around Rs. 29000 per square meter. A total of 3895 plots have been allocated out of the entire amount of 3916 plots that were originally available. Every one of the 138 buildings has been allocated. All of these 17 estates have been given a total of 3074 units to distribute among them.

In a perfect and equitable distribution, the average number of units that should have been allocated to each estate for each estate would have been 181 units. In spite of this, there is a significant disparity in the distribution of the 3074 units, as shown by the standard deviation of 249 units over the total number of units. Surprisingly, just six of the seventeen estates are responsible for around 85 percent of the entire number of units. Vijayawada is home to 798 apartments, which accounts for 26% of the total 3074 units that Estate 16 has to offer. Kanuru, on the other hand, has a total of 743 distinct units. The number of 322 units that are present in Jaggaiahpet and Kondapally is same to one another. It would seem that the other estates have not made considerable progress, with the exception of these few outliers. Out of the entire number of 3074 units, only 13 of the 17 regions contribute to a measly 889 units, which is a mere 29% of the total. This is a very small percentage. Consequently, it is indisputable that there is a significant disparity in the pace of increase.

4.1 Analysis based on secondary data

Table 3 provides a thorough account of the challenges faced by the Micro, Small, and Medium Enterprise (MSME) unit of the Guntur District General Engineering Cluster in dealing with the destruction of the lime cluster due to a fire. a group of power looms:

General Engineering Cluster	Piduguralla Burnt limecluster	Powerloom Cluster
Most firmsstill use obsolete	Poor market linkages,	High cost of energy Low level
technology, and do not form	Obsolete technology	of automation in ginning units
market consortia to avail		Absence of technical BDS
benefits of bulk purchases of		providers Shortage of skilled
raw materials and utilities		manpower

Table 3 – Problèmes faced by MSME unit of Guntûr District



Dr. Srinivasa Rao Kasisomayajula

Most companies still use outdated technologies and refrain from participating in market consortiums to leverage the advantages of procuring raw materials and utilities in large quantities. The absence of market links and the use of obsolete technologiesGinning machines have a limited reliance on industrial automation to offset the expensive nature of energy.

The lack of appropriate technical BDS providers is a challenge. There is a scarcity of workers with the requisite abilities. The clusters have identified some common issues, such as the use of outdated technology, the lack of qualified workers, an exceptionally high energy cost, and the absence of a consortium for purchasing large amounts. These problems are merely a subset of the issues that have been identified. It is important to mention that almost all of the clusters have recognized that infrastructure is a very crucial need. This is an additional point of interest. Moreover, this problem has gained recognition due to the absence of essential amenities such as transportation infrastructure, access to clean water, and reliable energy. Moreover, these difficulties are distinct and are faced throughout the majority of the nation rather than being limited to a certain location. This is the case since they are not limited to any certain region.

NTR - Krishna District

The problems that has been raised by the Associations of the MSMEs during their meetings were

as under -

- Inadequate and irregularsupply of power
- Lack of sufficient and timelycredit
- Industry extensionservices

Wenext analyze the problems as reported by each of the clusters as under.

Imitation Jewelry Cluster,	Vijayawada Pharma cluster	Krishna Food Processing cluster
Machilipatnam		
Lowproductivity, traditional	Low skills of personnel, lack	Improper inventory
designs, cater to low end	of pollution control measures,	management Fruit processing:
marketespecially in rural areas	working at poor economies of	low value added products
	scale	Ethnicfoods: poor packaging,
		manual operations adopted

Table 4 - Problems faced by MSME units in NTR - Krishna District

A host of problems have been mentioned. Some of them are technical, some of them are managerial while still some of them are financial. Low productivity, traditional designs etc. are some of the technical problems. Things like improper inventory management, working at poor economies of scales etc. are managerial problems. Lack of adequate and timely credit is a financial problem.



3.2 Analysis based on primary data

3.2.1 Preliminaries of the survey

The responses were obtained from 200 MSME entrepreneurs each from Guntur and Krishna District. The sampling method adopted was convenient sampling. 10 problems were stated in the questionnaire and respondents were asked to rate them on a five point Likert scale with responses starting from no response, not a problem, somewhat a problem, quite a problem and major problem. For assessing the reliability of the instrument used for the survey, tests like Cronbach's Alpha were performed and the results were as under –

Cronbach's Alpha	0.74506356		Reliability (Calculator			
Split-Half (odd-even) Correlation	0.55463501		created by D	el Siegle (del.s	siegle@uconn	edu) for EPS	Y 5601
Split-Half with Spearman-Brown Adjustment	0.7135244						
Mean for Test	28.3775						
Standard Deviation for Test	5.35303594						
KR21 (use only 0 and 1 to enter data for this)	3.13328145		Questions	Subjects			
KR20 (use only 0 and 1 to enter data for this)	3.13440858		10	400			
	Question 1	Question 2	Question 3	Question 4	Question 5	Question 6	Quest
Subject1	2	1	4	3	2	3	
Subject2	1	2	4	4	1	3	
Subject3	1	1	1	3	1	0	
Subject4	1	1	4	2	1	4	
Subject5	2	3	3	2	2	2	
Subject6	4	3	3	2	4	3	
Subject7	4	3	3	3	4	3	

Figure 1 – Reliability test for questionnaire used in the survey

Since the Cronbach's Alpha was more than 0.70, the instrument was considered as reliable.

3.2.2 Descriptive data analysis

- a. The respondents were 200 each from both the districts, namely, Guntur and Krishna.
- b. 99 out of the 400 respondents belonged to the age-group 20-29 years, 96 belonged to the age-group 30-39 years, 95 belonged to the age-group 40-49 years and 110 belonged to the age-group >=50 years.
- c. 326 out of the 400 MSME entrepreneurs were male whereas 74 were female.
- d. Out of the 400 entrepreneurs, 71 were engaged in the business of engineering, 61 in the business of handloom, 75 in the business of food-processing, 59 in the business of jewelry, 68 in the business of Pharma and the balance 66 in the some other business.

3.2.3 Inferential data analysis

The responses fetched for each of the ten problem statements were as under:



Dr. Srinivasa Rao Kasisomayajula

Sr.	Problem statement	No	No	Somewhat a	Quite a	Major
No.		option	problem	problem	problem	problem
1	Erratic electric supply	6	24	100	172	98
2	Difficulty in getting electric connection	7	30	83	204	76
3	Problems in obtaining Bank Finance	8	28	82	183	99
4	Difficulties with Taxation matters	7	29	82	146	136
5	Poor Infrastructure	5	37	88	167	103
6	Harassment while obtaining permits from Government	8	38	89	121	144
7	Shortage of skilled manpower	7	21	70	215	87
8	Lack of adequate transportation facilities	7	62	67	128	136
9	Low scales of production	4	48	116	112	120
10	Quality problems due to old technology	7	21	84	201	87
	Average	7	34	86	165	109

Table 5 – Responses for each of the ten problems

The survey results shown in Table 5 demonstrates the diverse levels of difficulties encountered by organizations in several issue domains. The survey revealed that erratic electric supply was a significant issue, with 98 respondents identifying it as a major problem. Difficulties in securing electric connections were also a worry, with 76 respondents seeing this as a serious issue. Acquiring bank funding and acquiring permissions from the government were identified as important concerns by 99 and 144 respondents, respectively. These problems were also associated with harassment.



Additionally, the survey revealed that firms face significant obstacles due to inadequate infrastructure (103 respondents), a scarcity of trained workers (87 respondents), and insufficient transportation facilities (136 respondents). The survey also revealed significant concerns surrounding taxation issues (136 respondents), limited manufacturing scales (120 respondents), and quality issues resulting from outdated technology (87 respondents).

These results highlight the complex and diverse issues that firms confront, which affect their ability to operate efficiently and flourish. It is essential to tackle these problems in order to create a favorable business climate and stimulate economic growth.

Sr. No.	Response	Score Assigned
1	No problem	0
2	Somewhat a problem	1
3	Quite a problem	2
4	Major problem	3

Table 6 – Assignment of scores for each category of response (no option ignored)

The study included giving scores to replies within four categories of issue severity, spanning from "no problem" to "major problem" (refer to Table 6). Every comment was meticulously assessed and assigned ratings accordingly: 0 for "no problem," 1 for "somewhat a problem," 2 for "quite a problem," and 3 for "major problem." This methodical scoring strategy allowed for a thorough evaluation of the perceived degrees of severity linked to each answer.

The results from Table 6 highlight the different levels of issue severity that participants reported. Responses classified as "major obstacle" were assigned a score of 3, indicating major difficulties that may need urgent attention or action (Author, Year). In contrast, replies classified as "no problem" were assigned a score of 0, indicating minor or insignificant worries (Author, Year). The findings provide useful insights into the distribution and perception of problems in the examined setting, emphasizing areas that need more inquiry or corrective efforts to successfully address identified difficulties.

Table 7 shows the ratings for each of the 10 highlighted problems faced by enterprises in the region. The survey reveals varying degrees of severity for different problems. The problem of uneven electrical supply was highlighted as a serious concern by 294 respondents, resulting in a total score of 738. Taxation is also a big obstacle, as shown by 408 respondents who rated it as a severe worry, for a total score of 782.



Dr. Srinivasa Rao Kasisomayajula

Additional notable difficulties include receiving harassment when obtaining government licenses (with a score of 763) and having a shortage of highly skilled workers (with a score of 761).

				•		
Sr.	Problem statement	No	Somewhat	Quite a	Major	Total
No.	r toolem statement	problem	a problem	problem	problem	Score
1	Erratic electric supply	0	100	344	294	738
2	Difficulty in getting electric connection	0	83	408	228	719
3	Problems in obtaining Bank Finance	0	82	366	297	745
4	Difficulties with Taxation matters	0	82	292	408	782
5	Poor Infrastructure	0	88	334	309	731
6	Harassment while obtaining permits from Government	0	89	242	432	763
7	Shortage of skilled manpower	0	70	430	261	761
8	Lack of adequate transportation facilities	0	67	256	408	731
9	Low scales of production	0	116	224	360	700
10	Quality problems due to old technology	0	84	402	261	747

Table 7 – Scores for each of the ten problems

The inquiry examined 10 specific issue statements to ascertain the challenges encountered by enterprises in the region. The findings indicate significant challenges across several domains. The inconsistent



Dr. Srinivasa Rao Kasisomayajula

provision of electricity emerged as a major concern, scoring a total of 738, indicating a substantial problem affecting operations. The level of difficulty in acquiring electric connections was also very high, with a score of 719, indicating persistent obstacles in the development of infrastructure. The company's difficulty in obtaining bank funding was assessed with a score of 745, suggesting challenges in accessing financial resources for business growth. The presence of challenges related to taxation was significant, as shown by a score of 782, which implies the existence of intricate regulatory systems that impact the functioning of corporations. The lack of adequate infrastructure (731), the difficulties faced in obtaining licenses due to harassment (763), the scarcity of skilled workers (761), and the inadequate transportation facilities (731), were all cited as significant obstacles to the success of businesses. The assessed firms faced operating difficulties due to outmoded technology (747), which resulted in lower production sizes (700) and quality concerns. These findings emphasize the many challenges that businesses in the region face, such as deficiencies in infrastructure, obstacles in regulations, and limitations in operations. It is crucial to fully address these difficulties in order to provide a favorable business environment and promote sustainable economic growth.

Sr. No.	Problem statement	Total Score	Index
1	Erratic electric supply	738	46.1%
2	Difficulty in getting electric connection	719	44.9%
3	Problems in obtaining Bank Finance	745	46.6%
4	Difficulties with Taxation matters	782	48.9%
5	Poor Infrastructure	731	45.7%
6	Harassment while obtaining permits from Government	763	47.7%
7	Shortage of skilled manpower	761	47.6%
8	Lack of adequate transportation facilities	731	45.7%
9	Low scales of production	700	43.8%
10	Quality problems due to old technology	747	46.7%

Table 8 – Total Scores for each of the ten problems along with index

Table 8 presents the comprehensive scores and indexes for each of the 10 identified concerns, and it reveals some significant findings. The mean score for all worries was 46.4%, indicating a significant level of anxiety among the participants. These findings emphasize the severity of the several challenges faced by the group under examination. The primary concerns were tax complexities (48.9%), bureaucratic

hurdles in obtaining government approvals (47.7%), and a shortage of skilled workers (47.6%). These difficulties are crucial since they have a direct impact on operational efficiency and economic profitability (refer to Table 8).

Upon examining this data, it becomes clear that addressing these challenges is crucial for enhancing company operations and facilitating economic progress. In order to effectively tackle these challenges, it is recommended to implement strategies that focus on improving infrastructure, streamlining bureaucratic processes, and enhancing the abilities of personnel. Please refer to Table 8 for a detailed assessment of these methods.

Parameter	Value
Average	46.38%
Standard Deviation	0.97322
Ho (Hypothesized Population Mean)	0%
H1 (Sample Mean)	46%
N (Sample size)	400
t-distval	9.53
p-value	<0.00001

Table 9 – Summarized results of statistical testing

A t-test was conducted to compare the average score of 46.4% with the projected mean of 0%. The analysis yielded a p-value of less than 0.00001. This demonstrates a significant deviation from the expected average population. Table 9 presents the statistical data, indicating that the average is 46.38% with a standard deviation of 0.97322. These values were obtained from a sample size of 400. The t-test resulted in a t-distribution value of 9.53, demonstrating the statistical significance of the data (refer to Table 9). Consequently, the expressed worries have statistical significance according to the responses from the sample.

Discussion

The study used a straightforward and efficient sampling method to collect data from 400 MSME companies located in the Guntur and Krishna Districts. The participants were directed to assess 10 pre-established difficulties using a Likert scale. The survey instrument's reliability was validated by computing Cronbach's Alpha, yielding a score over 0.70, indicating a considerable degree of dependability. The descriptive analysis revealed the demographic and business attributes of the



Dr. Srinivasa Rao Kasisomayajula

participants. The sample consisted of 200 entrepreneurs from each site, mostly male (326), involved in diverse industries such as engineering, handloom, and food-processing.

An examination of the responses to the 10 issue statements revealed noteworthy difficulties encountered by MSMEs. Several notable concerns were raised, such as the inadequate availability of dependable electricity, challenges in acquiring electrical connections, and apprehensions over taxation. The ratings provided to each answer group, ranging from "no problem" to "major problem," allowed for a quantitative evaluation of the severity of these concerns. The results highlight the complex challenges that are impacting the operations of enterprises in the assessed locations, therefore hindering productivity and obstructing potential development. The primary concerns are on inadequacies in the infrastructure, difficulties in complying with regulatory standards, and constraints in the workforce. In order to tackle these difficulties, it is essential to adopt specific measures that promote a favorable business climate and encourage economic expansion. A t-test was used to statistically analyze the highlighted issues. An evident discrepancy was seen between the average severity score of 46.38% and the expected mean of 0%. This statistical analysis confirms the reliability of the survey results and emphasizes the significant scale of the difficulties encountered by MSMEs in the area.

4. Conclusion

The industrial growth of MSMEs has shown major inequalities between the two areas. While a few locations have developed, the majority of industrial estates have a little presence. This shows that recent development did not meet expectations. The progress accomplished in previous years has reached a point of saturation. There have been no recent developments in the region. Krishna District's pharmaceutical and food processing businesses provide attractive export opportunities. Exports give several advantages; thus, the government should take special initiatives to support these businesses. Given the geographical qualities of the region, the government has identified several prospective sectors that may be investigated. Agriculture, mining, and textiles are just a few of these businesses. To summarize, although the state has achieved tremendous progress, further help is necessary to promote MSME growth in the Guntur and Krishna districts. The prevalence of imbalances and shared issues, such as poor infrastructure and power shortages, suggests that high-level development has not efficiently spread to lower levels. Regionally balanced development contributes significantly to the state's overall economic growth.

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