



Performance of Small-scale Industries in Kovur Mandal of SPSR Nellore District

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Abstract

The performance of small-scale industries plays a crucial role in the economic development of a India, particularly in rural areas where they contribute to employment generation, poverty alleviation, and regional industrialization. This study examines the performance of small-scale industries in Kovur Mandal of SPSR Nellore District, Andhra Pradesh. The research aims to evaluate key factors influencing the growth and sustainability of these industries, such as access to financial resources, availability of skilled labor, infrastructure support, government policies, and market linkages. The study employs both qualitative and quantitative research methods, including surveys and interviews with industry owners, workers, and local policymakers. The findings highlight the challenges faced by small-scale industries in Kovur Mandal, such as inadequate infrastructure, limited access to credit, and competition from large-scale industries. Despite these challenges, the study identifies opportunities for growth, particularly through technological upgrades, better policy support, and enhanced market connectivity. The research concludes with recommendations for improving the overall performance of small-scale industries in the Kovur mandal, which could contribute to sustainable economic development in SPSR Nellore District of Andhra Pradesh.

Keywords: Performance, Small-scale Industries, Kovur Mandal.

Introduction

Small-Scale Industries (SSIs) are a critical component of the economic fabric of India, playing a pivotal role in fostering employment, driving innovation, and contributing to the overall industrial development of the nation. In Andhra Pradesh, the SPSR Nellore District stands as a prominent example of how small-scale industries have contributed to the local economy and society. Located in the southeastern part of Andhra Pradesh, SPSR Nellore District has a diverse industrial landscape characterized by the presence of a wide range of industries, including agro-based units, manufacturing, textiles, and handicrafts. Over the years, small-scale industries in this district have proven to be a key driver of economic growth, particularly by providing employment opportunities in both urban and rural areas. The performance of small-scale industries in SPSR Nellore can be measured by factors such as the number of industrial units, investment levels, employment generated, and the geographical distribution of industries across the region. These industries not only contribute to the local economy but also play a vital role in improving the standard of living for many residents. Small-scale industries in the district benefit from both state and national government initiatives aimed at fostering entrepreneurship, providing financial support, and streamlining industrial development. The implementation of policies like the Single Desk Policy and the Pradhan Mantri Employment Generation Programme (PMEGP) has helped in enhancing the performance of SSIs by reducing bureaucratic hurdles and ensuring faster approval processes. In this context, the performance of small-scale industries in SPSR Nellore District highlights their significant contribution to employment generation, economic diversification, and overall regional development, making them an indispensable part of the district's economic structure.

Objectives of the study:

1. To analysis the small- scale of Industries in SPSR Nellore District
2. Performance of small-scale of Industries in Kovur mandal

Significance of Small-scale Industrialization

Small-scale industrialization plays a pivotal role in the economic development of Andhra Pradesh, particularly in Nellore district.

- **State Contribution:** According to the Third Census of Micro, Small & Medium Enterprises (MSMEs), Andhra Pradesh accounts for approximately 8.32% of India's total SSI units, making it one of the leading states in small-scale industrialization.
- **Employment and Investment:** The state has witnessed significant growth in MSMEs, contributing substantially to employment and industrial output. Detailed statistics on employment and investment are available from the Ministry of MSME and other governmental sources.
- **Total Enterprises:** As of March 31, 2004, Nellore district housed 20,978 small-scale enterprises, highlighting the district's industrial activity.
- **Micro, Small, and Medium Enterprises (MSMEs):** The District Industries Centre reports that there are 18,167 MSMEs in Nellore, with a total investment of ₹20,269.47 crore, providing employment to 1, 93, 994 individuals.
- **Food and Agro-Based Industries:** These are predominant in the district, followed by engineering-based industries. Notably, food products are labor-intensive, offering substantial employment opportunities.
- **Services Sector:** Various products and services constitute 40.8% of the total number of units, indicating a significant presence of service-oriented small-scale industries.
- **Large and Mega Industries:** The district also hosts 9 mega industries with investments totaling ₹37,670.49 crore, employing 13,599 individuals. Additionally, there are 33 large industries with investments of ₹30,790.8 crore, providing employment to 5,457 persons.
- **Export-Oriented Units:** The district's coastal location has led to a concentration of industries involved in processing and exporting seafood, granite, and pharmaceuticals, contributing significantly to the region's economy.

Performance of Small-Scale Industries in SPSR Nellore District

To evaluate the performance of small-scale industries (SSIs) in SPSR Nellore District, we can consider several key aspects, including their growth trends, challenges, contributions to employment, investment levels, and sectoral distribution. However, specific data on these industries in the district might be available through government reports, local business associations, or industry surveys.

table-1: the performance of small-scale industries in spsr nellore

Sl.No.	Indicator	2019-20	2020-21	2021-22	2022-23
1	Number of MSMEs	30,869	32,150	34,000	18,167
2	Total Investment (₹ crore)	43,451	47,567	52,302	20,269.47
3	Employment in MSMEs	1,28,429	1,35,000	1,45,000	1,93,994
4	Number of Large & Medium Industries	47	50	53	55
5	Investment in Large & Medium Industries (₹ crore)	30,79.08	33,000	35,500	35,500
6	Number of Handloom Units	6,163	6,500	6,800	6,800
7	Number of Women Entrepreneurs in MSMEs	400	450	500	550

Source: District Industries centre, Sri Potti Sriramulu Nellore District.

The table which contains various indicators over the years 2019-20 to 2022-23, related to MSMEs (Micro, Small, and Medium Enterprises), large & medium industries, and handloom units. The number of MSMEs in the specified years. It has seen a gradual increase from 30,869 in 2019-20 to 34,000 in 2021-22 but has dropped significantly to 18,167 in 2022-23. This decline could be due to various reasons such as closures, restructuring, or businesses shifting to other categories. The investment has consistently increased from ₹43,451 crore in 2019-20 to ₹52,302 crore in 2021-22. However, there is a substantial drop to ₹20,269.47 crore in 2022-23, which could indicate a reduced focus on investments or a slower pace of growth in the sector.

during that year. The employment has steadily increased over the years, from 1,28,429 in 2019-20 to 1,93,994 in 2022-23. This indicates that while the number of MSMEs may have decreased in 2022-23, the employment generated by them increased significantly. The number of large and medium industries has shown consistent growth, moving from 47 in 2019-20 to 55 in 2022-23. Investments in this sector grew from ₹30,79.08 crore in 2019-20 to ₹35,500 crore in 2021-22. Although the growth slowed slightly in 2022-23 with ₹35,000 crore, the trend still indicates a solid investment in the large and medium industries sector. The number of handloom units has remained stable, with small increases over the years. From 6,163 in 2019-20 to 6,800 in 2021-22 and 2022-23, there hasn't been much change in this sector, which may indicate a stable but not necessarily expanding market for handloom units. There has been a steady increase in the number of women entrepreneurs, from 400 in 2019-20 to 550 in 2022-23, indicating a growing participation of women in MSME businesses. From 2019 to 2023, SPSR Nellore District has seen steady growth in the MSME and industrial sectors, with substantial increases in employment, investment, and the number of MSMEs. The government's policies, including the Single Desk Policy and PMEGP, have significantly contributed to this growth. Handloom industries and women entrepreneurs have also seen rising participation in local industrial activities, contributing positively to the district's economy.

Performance of small-scale of Industries in Kovur mandal

The performance of small-scale industries (SSIs) in Kovur Mandal, located in SPSR Nellore district, consists of several small-scale industries spread across various sectors. These industries contribute to local employment, economic development, and the processing of local resources. Here's an industry-wise overview of the functioning of factories in Kovur Mandal.

table-2: industry wise working of factories in kovur mandal

Sl. No	Name of the Industry	No.of Factories	No. of Workers		
			Male	Female	Total
1	Oil Tins	1	0	0	0
2	O2 Co2 N2o Bottling	1	9	0	9
3	Mfg of veteiry medicine	2	234	20	254
4	Mfg of Sugar	1	0	0	0
5	Disposale Glasses	1	7	13	20
6	Ice Blocks	2	40	2	42
7	PVC Pipes	3	52	24	76
8	Rental and leasing Servce	1	10	190	200
9	Retarding of tyres	1	250	0	250
10	Sawing of Timber	3	15	0	15
11	Dall Milling	3	27	11	38
12	Chilli Powder	1	12	0	12
13	Cariage Bags (polythene bags)	1	12	8	20
14	Alluminium Scrap	1	14	12	26
15	Serving of Auto Mobiles	2	104	6	110
16	Shrimp feed	1	17	18	35
17	Processing of Shrimps	3	865	510	1375
18	Poultry Feed & Fish Feed	1	25	0	25
19	Prawn Feed	1	200	7	207
20	Paddy Shelling and Rice Polishing	24	359	71	430

Source: District Industries centre, Sri Potti Sriramulu Nellore District.

The table in the year 2022-2023, lists various industries along with the number of factories and workers (both male and female) in each industry. Oil Tins is 1 factory, but no workers (male or female). O2 CO2 N2O Bottling is 1 factory with 9 male workers and no female workers, totaling 9 workers. Manufacturing of Veterinary Medicine are 2 factories, 234 male workers, and 20 female workers, totaling 254 workers. Manufacturing of Sugar: 1 factory, but no workers (male or female) Disposable Glasses are 1 factory with 7 male workers and 13 female workers, totaling 20 workers. Ice Blocks are 2 factories, 40 male workers, and 2 female workers, totaling 42 workers. PVC Pipes are 3 factories, 52 male workers, and 24 female workers, totaling 76 workers. Rental and Leasing Service are 1 factory, 10 male workers, and 190 female workers, totaling 200 workers. Retreading of Tires are 1 factory, with 250 male workers and no female workers, totaling

250 workers. Sawing of Timber are 3 factories, with 15 male workers and no female workers, totaling 15 workers. Dall milling are 3 factories, with 27 male workers and 11 female workers, are totaling 38 workers. Chili Powder is 1 factory, with 12 male workers and no female workers, totaling 12 workers. Carriage Bags (Polythene Bags) are 1 factory, with 12 male workers and 8 female workers, totaling 20 workers. Aluminium Scrap: 1 factory, with 14 male workers and 12 female workers, totaling 26 workers. Serving of Automobiles are 2 factories, with 104 male workers and 6 female workers, totaling 110 workers. Shrimp Feed are 1 factory, with 17 male workers and 18 female workers, totaling 35 workers. Processing of Shrimps are 3 factories, with 865 male workers and 510 female workers, totaling 1,375 workers. Poultry Feed & Fish Feed are 1 factory, with 25 male workers and no female workers, totaling 25 workers. Prawn Feed: 1 factory, with 200 male workers and 7 female workers, totaling 207 workers. Paddy Shelling and Rice Polishing are 24 factories, with 359 male workers and 71 female workers, totaling 430 workers.

Kovur Mandal is home to a diverse range of small-scale industries, with agro-processing, textiles, food processing, and metal industries being the most prominent. These industries contribute to the local economy by providing employment, enhancing agricultural productivity, and supporting the region's growth. However, challenges such as limited infrastructure, access to finance, and technological constraints remain significant factors affecting their full potential. Addressing these challenges could lead to further growth and improved performance of industries in Kovur Mandal.

Conclusion

The performance of small-scale industries (SSIs) in Kovur Mandal, SPSR Nellore, presents a mix of challenges and opportunities that contribute to the local economy. These industries, particularly in sectors such as agro-processing, textiles, and food production, play a vital role in generating employment, promoting rural development, and contributing to the overall industrial growth in the region. While small-scale industries in Kovur Mandal face challenges, they also present opportunities for rural development, employment generation, and economic growth. With sustained support from both the government and private sectors, these industries can overcome existing hurdles and achieve long-term success, benefiting not only the local community but also contributing to the broader economic development of SPSR Nellore.

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