A STUDY ON PROBLEMS FACED BY ENTREPRENEURS TO START-UP THE MSMESECTORS IN TIRUNELVELI DISTRICT

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Abstract
An entrepreneur is a person who contributes significantly to a country's economic progress. Basically, an entrepreneur is a person who has the initiative, skill, and ambition to start his or her own firm or industry and who is constantly striving for great performance. Indian Government framed many policies to new and existing Entrepreneurs and conducted various ED Programmes to them. Anyway there is so many problems faced by entrepreneurs to start up the MSME sectors. The main objectives of this study is to find the problems faced by entrepreneurs in establishing Micro, Small and Medium Enterprises sector in Tirunelveli District. With around 50,000 registered MSMEs are situated in Tirunelveli District. During 2021-2022 nearly 350 MSMEs are newly established Tirunelveli District.In those five MSMEs, 200new entrepreneurs are selected as sample unit and size of this study by using stratified random method. This research paper is fully descriptive in nature. Primary data is collected via well-structured questionnaire; it consists of three parts like socio economic factors of respondents, individual, administrative problems and marketing problems faced by the new start-up entrepreneurs in Tirunelveli District. Secondary data is collected via journals, magazines, unpublished thesis, books, Annual reports and newspapers. Percentage Analysis, Weighted average method and Kursal Wallis test were used to analyse the collected data. Findings of the study revealed that there is a significant relationship between the investment made by the entrepreneur and marketing problems faced for establishing the new units.

Keywords: MSMEs, Start-up Entrepreneurs, Problems and Tirunelveli District.

1. Introduction
In terms of the number of businesses and jobs, Tamil Nadu is the third most populous state in India for MSMEs. Every company organization's lifeblood is finance. It is a must-have for entrepreneurs who want to build and run Micro, Small, and Medium Businesses. Entrepreneurs can contribute their hard-earned money to establish a firm, but it is impossible for anyone to arrange finance for ongoing operations and expansion of a business on their own.MSME loan/finance schemes were introduced by the Indian government for the promotion and growth of MSME. Micro, small, and medium businesses (MSMEs) are considered one of the most important factors in a country's economic development. How the job goes from defensive to constrained time through auxiliary tasks and the utilisation request calculation is the actual test. A swift injection of funds into enterprises and a rebuild of the MSMEs division are essential to truly understand the 'Make in India' concept. An new monetary bundle is required to re-energize the market economy. When it comes to starting a new firm, the ease with which people can collaborate becomes critical. Indian officials have been charged with figuring out how to keep MSMEs afloat if the blockade is lifted. It is vital for India to try to adapt the rapid monetary reaction with open and human capital enterprises on a constant basis. In an emergency, eating the budgetary bullet is inescapable, but analysing the cost of advancement is unavoidable, and planning future strategies is critical. Financial relief guidelines, as well as processes to give monetary stability to individuals working with MSMEs, must be followed in this situation. For the purposes of this study, the following MSMEs were chosen.

- Food based Products
- Leather based Products,
- Chemical based Products,
- Metal Products and
- Paper based Products

2. Review of Literature

Daniel, Agbenyo (2015),the overall goal of this study is to learn more about the credit issues that SMEs face in Ghana's Ashanti Region's Kumasi Metropolis. It also looks into the requirements for micro financing SMEs and how that affects their operations in the Kumasi Metropolis. It looked into the difficulties that SMEs in the Metropolis have in obtaining microcredit.Shashikala. K,Mathiraj. SP (2016), with the use of statistics, the article provides insights into small-scale industry financing in India. The contribution of the State Financial Corporation, SIDBI, and Commercial Banks to India's small scale companies has been discussed year by year in the paper. According to Subramanian et al., technological distance has an inverted u-shaped impact on inter firm learning (2018). "When alliance members' knowledge bases are homogeneous, the benefits of technical distance are increased and the costs of technological distance are minimised," the relationship found.Osman et al. (2019) "Firms and businesses can strengthen their internal capacity through a cross-broader strategic interfirm alliance that helps firms and businesses strengthen new product development, improve operational productivity, create new value propositions, and enhance business strategy through design," according to the researchers. According to Fornaro and Martin (2020), the Coronavirus outbreak caused a long-term supply disruption that could endure well beyond the pandemic's end. According to the study, the virus's spread could result in a demand-driven slowdown in operations, as well as a supply–demand doom cycle and stagnation traps.Bold policies to boost investment in all parts of the economy, including operations, according to the paper, can break the supply–demand doom cycle and revitalise global economies.

3. Statement of the Problem

Many firms are struggling to keep up with current customer demands, leaving little time or money to pursue new, more critical initiatives. Industry 4.0, which encompasses collaborative robotics, autonomous material movement, the internet of things, and artificial intelligence, will necessitate additional funding to become a reality. MSMEs experienced issues even before the pandemic, including as late payments, over-dependence on a small number of customers, and a skilled labour shortage. The pandemic has broken MSMEs' backs, and survival is now their greatest issue. The present study focus on the problems faced by the selected start-up entrepreneurs in Tirunelveli District.

4. Objectives of the Study

- To analysis the demographical profile of the selected start-up entrepreneurs in Tirunelveli District.
- To examine the problems faced by the selected start-up entrepreneurs in Tirunelveli District.

5. Hypothesis

Ho1: There is no significant relationship between the Age of the entrepreneur and problems faced for establishing the new units.
Ho2: There is no significant relationship between the educational qualification of the entrepreneur and problems faced for establishing the new units.

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Ho3: There is no significant relationship between the investment made by the entrepreneur and problems faced for establishing the new units.

6. Research Methodology
Major Five MSMEs and 200 new entrepreneurs are selected as sample unit and size of this study by using stratified random method. This research paper is fully descriptive in nature. Primary data is collected via well-structured questionnaire; it consists of three parts like socio economic factors of respondents, individual, administrative problems and marketing problems faced by the new start-up entrepreneurs in Tirunelveli District. Secondary data is collected via journals, magazines, unpublished thesis, books, Annual reports and newspapers. Percentage Analysis, Weighted average method and Kursal Wallis test were used to analyse the collected data.

7. Results and Discussion
7.1 Demographical Profile of the Entrepreneurs (Percentage Analysis)
The present study confines the demographical profile of 200 respondents are age, educational qualification, monthly income, Area of Residence, New Business Experience and Investment, Parameters, frequency and their percentage of different variables are tabulated as under in table 1.

Table 1, Demographical Profile of the Entrepreneurs

S.No	Variables	Parameters	Frequency	Percentage (%)
1.	Age	Below 25	09	4.5
		26-35	35	17.5
		36-45	48	24.0
		46-55	59	29.5
		Above 55	49	24.5
		Total	**200**	**100**
3.	Educational qualification	Illiterate	02	1.0
		Primary level	06	3.0
		High school	58	29.0
		Under Graduate	99	49.5
		Post graduate	35	17.5
		Total	**200**	**100**
4.	Monthly Income	Up to 25000	24	12.0
		25000-50000	74	37.0
		50000-75000	46	23.0
		75000-100000	31	15.5
		Above 100000	25	12.5
		Total	**200**	**100**
5.	Area of Residence	Rural	96	48.0
		Urban	104	52.0
		Total	**200**	**100**
6	New Business Experience(in months)	0 – 3 months	37	18.5
		3 – 5 months	68	34.0
		5 – 7 months	56	28.0
		7 - 12 months	39	19.5
		Total	**200**	**100**

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7.	Investment in Business (Rs)	Below 10 lakhs	52	26.0
		10-20 lakhs	41	20.5
		20 – 30 lakhs	38	19.0
		30 – 40 lakhs	28	14.0
		40-50 lakhs	30	15.0
		Above 50 lakhs	11	5.5
		Total	**200**	**100**

Sources: Primary Data

The above table-1 reveals that majority of the respondents are in the Age group of 46-55 (29.5%).Most of the respondents are under graduates (49.5%) as compared to other educational groups. Majority of the respondent's family monthly Income fall under Rs. 25000 - Rs. 50000 (37.00%). Majority of the respondent's Area of Residence is urban area (52.0%). Majority of the respondent's Business Experience is 3 – 5 months (34.0%). Majority of the respondent's Investment in Business is Below Rs.10 lakh (26.00 %).

7.2 Problems faced by the start-up entrepreneurs (Weighted Average Method)

Mean Score and Rank for problems faced by the start-up entrepreneurs in Tirunelveli district is shown in table-2.

Table-2, Problems faced by the start-up entrepreneurs

Factors	H.A	A	N.O	D.A	H.D.A	Total Score	Mean	Rank
Individual Problems							**3.22**	
Capital for the Start-up	35 (175)	76 (304)	12 (36)	34 (68)	43 (43)	200 (626)	3.13	
Liquidity or Cash Crunch	36 (180)	84 (336)	20 (60)	31 (62)	29 (29)	200 (667)	3.335	**III**
Finding Good Employees	38 (190)	71 (284)	17 (51)	38 (76)	36 (36)	200 (637)	3.185	
Administrative Problems							**3.66**	
Labours	67 (335)	80 (320)	8 (24)	21 (42)	24 (24)	200 (745)	3.725	
Location/Infrastructure	61 (305)	73 (292)	17 (51)	28 (56)	21 (21)	200 (725)	3.625	**I**
Technical Knowledge	47 (235)	96 (384)	12 (36)	26 (52)	19 (19)	200 (726)	3.63	
Marketing Problems							**3.51**	
Finding Good Customers	84 (420)	71 (284)	7 (21)	20 (40)	18 (18)	200 (783)	3.915	
Utilization of Capacity	45 (225)	66 (264)	10 (30)	36 (72)	43 (43)	200 (634)	3.17	**II**
Procurement of Raw Materials	50 (250)	74 (296)	20 (60)	27 (54)	29 (29)	200 (689)	3.445	

Sources: Primary Data

Table - 2 confines that 'Administration' is the major problem of start-up entrepreneurs Tirunelveli district. Followed by 'Marketing', 'Individual' are the problems of start-up entrepreneurs Tirunelveli district.

7.3 Relationship between the Age, Education and Investment of the entrepreneur and problems faced for establishing the new units (Kursal Wallis test).

To analysis the Relationship between the Age, Education and Investment of the entrepreneur and problems faced for establishing the new units, Kursal Wallis test is applied and the result is displayed in Table -3.

Table -3, Result of Kursal Wallis test

Problems	Age		Education		Investment	
	H Value	Sig.	H Value	Sig.	H Value	Sig.
Individual problems	0.171	N.S	0.072	N.S	0.121	N.S
Administrative problems	0.167	N.S	0.184	N.S	0.227	N.S
Marketing problems	0.062	N.S	0.135	N.S	**0.012**	**S**

Sources: Computed from Primary Data.

Individual problems and Administrative problems: The H value is higher than 0.05 in all the variables. So null hypothesis is accepted. It is concluded that there is no significant relationship between the Age, Education and Investment of the entrepreneur and Individual problems and Administrative problems faced for establishing the new units.

Marketing problems: The H value is less than 0.05 in case of Investment. So null hypothesis is rejected in this case. Hence it is concluded that the variable of investment is having a significant relationship on marketing problems. The variable of age and education are not dependent in case of marketing problems.

8. Findings of the Study
- Majority of the respondents are in the age group of 46-55.
- Most of the respondents are under graduates as compared to other educational groups.
- Most of the entrepreneur's family monthly Income fall under Rs. 25000 - 50000.
- Majority of the respondent's area of residence is urban area.
- Majority of the respondent's business experience is 3 – 5 months
- Majority of the respondent's investment in business is below Rs.10 lakh
- 'Administration' is the major problem of start-up entrepreneurs Tirunelveli District.
- There is a significant relationship between the investment made by the entrepreneur and marketing problems faced for establishing the new units.

9. Suggestions of the Study
The government may start programmes to encourage and support MSMEs at the lowest levels of government. The main MSME ministry is in charge of bringing together multiple government projects. Educate the people about the government's myriad packages and programmes, particularly in rural areas. Provide MSMEs with short-term, interest-free working capital loans. Small businesses can seek for a tax delay to help them deal with cash flow issues. The government may provide assistance to MSMEs in adapting their business models to the changing business climate.

10. Conclusion

Despite the fact that finance is a key requirement, it can be supplied through government schemes for the MSME sector. To take advantage of government schemes, entrepreneurs should improve their financial management skills. Entrepreneurs can contact the District Industries Centre to learn about the government's many initiatives for beginning and growing a business. During the closure, many small businesses battled to balance production and the funds they needed to stay afloat, and poorer demand and lower customer confidence only contributed to the uncertainty. The MSME sector is sometimes referred to as an economy's "backbone," as it contributes significantly to GDP growth and creates major employment prospects, particularly for people living in rural areas. MSME also plays a significant significance in the Tirunelveli District.

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