

PERCEIVED LEVEL OF AWARENESS OF SMALL ENTERPRISES ABOUT INCENTIVES OF STATE GOVERNMENT IN KARIMGANJ DISTRICT, ASSAM

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ABSTRACT

Small enterprises play important role to develop the Indian Economy. To develop Small enterprises, the Assam Government evolves their respective policies and design suitable incentives. The State Government provides incentives to micro and small enterprises to overcome their financial problems and these incentives are important sources of finance for these enterprises. To get the incentives of State Government, the enterprises must aware about the incentives. Therefore, the present study has analysed the perceived level of awareness of small enterprises about incentives of State Government for the promotion of small enterprises in Karimganj district of Assam. The study found that most of the small enterprises in Karimganj district are aware about incentives of State Government.

KEYWORDS: *Incentives, Aware and Small Enterprises.*

INTRODUCTION

The small enterprises play important role to the development of our country. The development of rural and urban areas is not only the preview of Central Government but the State Government is also usually responsible. The State Government of Assam has launched the industrial policies in this direction and has made the efforts through the prospective incentives to promote industrialisation in the state. The State Government provides various incentives to micro and small enterprises in Assam under 'Industrial policy of Assam, 2008' and 'Industrial and Investment policy of Assam, 2014' (Department of Industries and Commerce, Government of Assam). Incentives under 'Industrial policy of Assam, 2008' have been analysed in the present study. The industrial policy of Assam, 2008 effected from 1-10-2008 and will be valid for a period of 5 years i.e. up to 30-09-2013 (Industrial Policy Report 2008, Government of Assam). The present study has been made by taking Karimganj district of Assam as a base. The present study addresses the perceived level of awareness of small enterprises *about incentives of State Government in Karimganj district, Assam.*

OBJECTIVE OF THE STUDY

To analyse the perceived level of awareness of small enterprises about incentives of State Government in Karimganj district, Assam.

METHODOLOGY

The study is based on primary data. The primary data has been collected by field survey of the existing small enterprises of Karimganj district by personal interview method. Only the registered enterprises which are functioning have been studied in the present study. The enterprises which have at least one year of experience have been studied.

SAMPLING DESIGN

The sampling technique of the study is 'convenience sampling'. Population has been identified particularly for small enterprises on consultation with District Industries and Commerce Centre (DICC) official and permanent register of DICC of the district. Total number of registered small enterprises which is the population of the study is 66. Sample size of the study is 13 which is calculated through sample size calculator (www.macorr.com) with 95 percent confidence level and 24.5 percent sampling error.

STATISTICAL DESIGN

In the present study percentage has been used for data analysis. The percentages have been calculated by Microsoft Excel, 2007. The conclusion is drawn on the basis of data analysis.

Geographical Area

The study area is the entire area of Karimganj district. Karimganj district is located at 24.87°N 92.35°E. The area of Karimganj district is 16.09 km. It has an average elevation of 13 metres (42 feet).

RESULTS

For the purpose of analysing *the perceived level of awareness of small enterprises about incentives of State Government for the promotion of small enterprises in Karimganj district* all the eight incentives of State Government namely 'interest subsidy on term loan', 'power subsidy', 'subsidy on quality certification / technical know-how', 'subsidy on drawl of power line', 'exemption from value added tax', 'exemption from stamp duty and registration fee', 'special incentives for mega projects and revival of sick enterprises' and 'market linkage assistance scheme' are considered in the present study. The following table exhibits the perceived level of awareness of small enterprises about incentives of State Government in Karimganj district.

Table 2: Perceived Level of Awareness of Small Enterprises about Incentives of State Government

Incentives	Aware	Not Aware
Interest Subsidy on Term Loan	9.00 (69.23)	4.00 (30.77)
Power Subsidy	10.00 (76.92)	3.00 (23.08)
Subsidy on Quality Certification / Technical Know-how	9.00 (69.23)	4.00 (30.77)
Subsidy on Drawl of Power Line	10.00 (76.92)	3.00 (23.08)
Exemption from Value Added Tax	9.00 (69.23)	4.00 (30.77)
Exemption from Stamp Duty and Registration Fee	10.00 (76.92)	3.00 (23.08)
Special Incentives for Mega Projects and Revival of Sick Enterprises	9.00 (69.23)	4.00 (30.77)
Market Linkage Assistance Scheme	8.00 (61.54)	5.00 (38.46)

Note: Figures denote number of enterprises

Figures in parentheses denote percentage of small enterprises

Source: Field Survey

Table 2 reveals that 69.23% of the total small enterprises are aware of 'interest subsidy on term loan' while 30.77% of the enterprises are not aware of the incentive.

It further reveals that 76.92% of the total small enterprises are aware of 'power subsidy' while 23.08% of the enterprises are not aware of the incentive.

It is found that 69.23% of the total small enterprises are aware of 'subsidy on quality certification / technical know-how' and 30.77% of the enterprises are not aware of the incentive.

The table exhibits that 76.92% of the total small enterprises are aware of 'subsidy on drawl of power line' and 23.08% of the enterprises not aware of the incentive.

It also exhibits that 69.23% of the total small enterprises are aware of 'exemption of value added tax' while 30.77% of the enterprises are not aware of the incentive.

It has been observed from the above table that 76.92% of the total small enterprises in the Valley are aware of 'exemption of stamp duty and registration fee' for setting up of industrial park/estate while 23.08% of the enterprises are not aware of the incentive.

The above table displays that 69.23% of the total small enterprises are aware of 'special incentives for mega projects and revival of sick enterprises' while 30.77% of the enterprises

are not aware of the incentive. It further displays that 61.54% of the total small enterprises are aware of 'market linkage assistance scheme' while 38.46% of the enterprises are not aware of the incentive.

SUGGESTIONS

1. The State Government should aware the enterprises about their incentives through various awareness programmes and entrepreneurial development programmes in Karimganj district.
2. The small enterprises in Karimganj district must aware about incentives of State Government and they have to follow the websites namely www.assam.gov.in, www.msme.gov.in and www.industries.assam.gov.in
3. The officials of the DICC of Karimganj district should properly co-operate with the enterprises in sanctioning and releasing the incentives of State Government.

CONCLUSION

The study concludes that most of the small enterprises in Karimganj district are aware about incentives of State Government. The perceived level of awareness of small enterprises about incentives of State Government in Karimganj district varies from 61.54% to 76.92%. It is mentioning that 23.08% to 38.46% of the small enterprises in the district are not aware about any of the incentives of State Government.

REFERENCES

1. Department of Industries and Commerce, Government of Assam.
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