**Abstract**

The Micro, Small and Medium Enterprises(MSMEs) have been accepted as the engine of the economic growth and for promoting equitable development. The major advantage of the sector is its employment potential at low capital cost. The labour intensity of this sector is much higher than that of the large entrepreneurs. It is a nursery of entrepreneurship, often driven by individual creativity and innovation. The Micro, Small and Medium Enterprises play a pivotal role in the overall industrial economy of the country. It contributes 8 per cent of the country’s Gross Domestic Product, 45 percent of the manufactured output and 40 per cent of its exports. The Micro, Small and Medium Enterprises Sector provide employment to about 60 million persons through 26 million entrepreneurs