Exploring the Requirements of Small Enterprises in North Eastern Region of India: An Empirical Evidence

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A B S T R A C T

Small enterprises are important in developing a State in general and a Nation in particular. Small businesses are the driving force for an economy. They not only provide revenue but also act in all-round regional development, increasing the standard of living of the rural people, thereby contributing significantly towards the upliftment and development of the rural economy at large. Despite being vital for an economy, small enterprises have to suffer many problems. These problems hamper the growth of small businesses, thereby making them sick units. These problems of small enterprises are more or less similar in all developing countries including India. In India, previous studies confirm that the major requirements of small enterprises are still unresolved to a large extent, eventually hampering small businesses' growth. These problems are more prevalent in the Northeastern region of India compared to the rest of the country. Being industrially backward, the economic contribution of small enterprises of NER, India is considerably low. Thus, the present study explores the requirements of small enterprises in accessing funds, marketing of products and services, and usage of technology in select states of NER, India. The study conducted the exploratory factor analysis to investigate the major requirements of small enterprises in the region. Consequently, the study facilitates an in-depth understanding of the issues surrounding small enterprises in financial, marketing, and technological aspects and highlights major requirements of small enterprises in the context of the North Eastern Region of India. Finally, the study suggests that the overall growth and development of small enterprises may be enhanced if these requirements of the small enterprises are addressed and fulfilled.

Key words: NER, India, Requirements, Small enterprises, Growth

Small enterprises in developing countries play a vital role in terms of the generation of revenue, employment generation, reducing regional imbalance, and facilitating exports. Not only from the revenue point of view but also from the viewpoint of regional development, small enterprises play a very crucial role (Lin, 2004; Cherunilam, 2012).

In India, the growth of small enterprises is of utmost importance. The path to industrialization in India starts with the development and smooth functioning of small enterprises (Chowdhury,2004; Cherunilam, 2012). This small sector has recorded a high growth rate since 1947 despite tough competition from the large-scale sector and has gathered tremendous capacity for employment generation, greater resource use efficiency, and technical innovation, promoting inter-sectoral linkages, raising exports, and reducing regional imbalances. Small enterprises have been a vibrant and active sector over the last decades in developing economies. They not only develop and industrialize rural and backward areas but also provide employment opportunities for rural populations with low capital costs, contributing to the socioeconomic development of the country. These enterprises hold characteristics that are different from large firms, are multitasking and independent, and vary with countries and cultures. They are managed mainly by active owners, who are highly personalized, and their area of operations is local, with high dependency on internal financial growth (Saith, 200; Perrini et al., 2007; Hanim & Taha, 2010; Baxi & Ray, 2012; Bhattacharya, 2019).

In India, particularly the contribution of the North–Eastern Region (NER) of India is much lower than the other parts of the country to the national economy. This region is considered an industrially backward region and in absence of the large industries these small enterprises are the dominating industrial sector. Despite having such vital importance to the NER, India, it has been seen that the development of small enterprises is hampered by a diversity of problems. Liberalisation as well as globalisation has created threats and opportunities for this sector. A maximum number of problems arise due to the unorganized nature of this sector, lack of data and information, use of obsolete and low technology, poor infrastructure, improper marketing, faulty management, etc. (Bhavani, 2006; Taunk & Kumar, 2014). The major problems

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these small enterprises generally face include lack of adequate finance, lack of financial awareness, lack of proper banking services, lack of marketing assistance, and lack of technological know-how (Wickramansinghe & Sharma, 2005; Srivastava & Syngkon, 2007). Hence, this study proposes to explore the requirement of small enterprises in NER, India to provide accurate information to the policymakers to help small enterprises in the long run.

Review of literature

Various studies have been carried out regarding the requirement aspects of small enterprises. A brief review of these studies has been highlighted in the following sections to identify the research gaps and reasons to pursue the study.

Problems of small enterprises

Small enterprises play a major role in the development of any economy. They are a source of livelihood and employment generation for many. To have balanced regional development, small enterprises must grow and develop at a fast pace. However, it has been observed that small enterprises suffer various problems, which hinder the growth and development of these enterprises. In this section, the researcher reviewed the studies concerning the problems of small enterprises in general and India in particular.

Many studies (Khanka, 2009; Mund, 2020) highlighted that the importance of small enterprises is vast, and they act as a key construct in the development of any economy, however, they come across various challenges. The studies portray that the majority of small enterprises are lacking growth because of poor financing, and the factors identified for funds accessibility are the stringent conditions set by financial institutions in terms of the criteria for accessing funds and other associated factors. Few studies (Chatterjee et al., 2014) also endorsed that some of the important aspects that lead to inadequate funds include sources of loans, mortgage values, industry structure, interest rates, and market conditions.

In India, most of the small-scale industries are operating under certain handicaps- such as shortage of raw materials, inadequate technical knowledge and lack of technical counsel, inadequate infrastructure, inadequate capital and credit, inadequate distribution systems, lack of facilities for market analysis and lack of scientific management etc. (Balasubramanian & Natarajan, 2019).

A few studies (Balasubramanian & Natarajan, 2019) were conducted comprising small enterprises spread across Bangalore, Mysore, Dhawar, and Gulbarga districts of Karnataka, India. Those studies deal with the performance of small enterprise's operational problems and sickness symptoms. The most of findings pointed out that small-scale industries failed because of a lack of access to funds, marketing problems, and failure to adopt the technology. Moreover, the majority of findings reveal that failure to access funds by the small enterprises arose due to high interest rates and the high value of the mortgages set by the financial institutions to avail the loans. The studies also confirm that a lack of professional marketing activities and limited usage of technology hindered the growth of these enterprises and eventually they became sick units. In addition, a few researchers (Hanim & Taha, 2010; Baxi & Ray, 2012)indicated that the growth of small enterprises is very low because of the inadequate facilities in finance, infrastructure, marketing communication, raw material, and capital, weakness of supporting services and absence of trained personnel, not adopting new technology, cost of advertisement, variability in the price of products, lack of resources (budget/time/people), limited sales, inadequate skills in terms of entrepreneurial and

managerial, corruption, lack of transparency, government regulation and laws, geographical isolation from the global environment, lack of exploitation in terms of natural or human resources, etc.

Problems and requirements of small enterprises in Assam

Various studies have been conducted related to the problems, requirements, and prospects of small enterprises in Assam. These studies have been reviewed and finally, an attempt has been made to showcase the problems and requirements of the small enterprises in the state of Assam.

Many studies (Khanka, 2009; Deka & Goswami, 2020) highlighted the decaying conditions of traditional industries and the prospects of modern small enterprises in Assam. They studied the operative conditions of industries. Their findings show that the most prominent problems were lack of working capital, absence of a proper marketing channel, and outdated techniques of production, which has impacted a lot for the sickness of small enterprises in the area.

Likewise, many scholars (Mahanta, 2016; Deka & Goswami, 2020) observed that the small-scale sector had been affected by extensive sickness, the main reason being the problem of finance followed by marketing. These studies further highlighted that the development of small enterprises in Assam is at a low level because of inadequate finances and financing parameters. The studies strictly confirm that small enterprises find it difficult to access loans as the interest rates and other rates are often very high. As such, these enterprises are deprived of the necessary finances.

Few other studies (Sharma, 2004; Saikia & Hazarika, 2018) highlight that a large number of small enterprises established under DICs (District Industries Centres) in Assam have been observed to be sick. Findings of these studies reveal that many small business units were found either non-functioning or closed due to reasons like lack of adequate credit, scarcity of raw materials, power problems, faulty marketing techniques, inadequate technology, improper infrastructure, and a high level of competition in the market. Important parameters like start-up finance, venture capital finance, working capital, equipment financing, etc, are essential factors adversely affecting the small sector in this region besides a host of internal and external problems faced by these units.

Many recent studies (Chakraborty & Chakraborty, 2017; Das, 2019) also confirm that small businesses find it difficult to avail credit and procure a loan generally due to high rates of interest, collateral security, faulty repayment periods, lengthy documentation, and high mortgages. While lending to small business operators, the major task of lenders is to reduce and avoid credit risk to overcome the industry's asymmetric information needs.

The growth of small enterprises is also hindered by limited marketing activities and unorganized management activities.Various studies(Tesfom & Lutz, 2006; Chimucheka & Rungani, 2013) investigate that the basic marketing problems include the inability to apply modern marketing techniques and strategies, the inability to conduct market research, and the profiling of target markets, and an outdated distribution system. The studies confirm that business owners without marketing skills have a greater chance of failure than others with marketing skills. These studies also showcase that as the owners of these small enterprises are managed by people having less educational qualifications, this act is a serious drawback (Stull et al., 2008; Hazarika et al., 2016; Deka & Goswami, 2020).

Studies (Hazarika et al., 2016; Mahanta, 2016; Deka & Goswami, 2020) show that small enterprises in the State are now facing many difficulties in marketing their products due to

growing competition from their sister concerns and, in recent years, due to the emergence of stiff competition from foreign goods in the wake of economic reforms. Besides, they also face competition from large industrial units producing the same products. The studies interpret that this happens mostly because of a lack of marketing research, lack of market assistance, lack of professional marketing knowledge, unscientific product surveys, and lack of a proper distribution system.

Further, there are various studies (Bortamuli & Goswami, 2015; Das & Das, 2020) on small enterprises which underlined that the lack of adoption of technology on the part of small enterprises acts is a major drawback and as such they fail to gain the advantages of technology in business. In addition, a few studies (Nair et al., 2019; Chatterjee et al., 2020) also revealed that knowledge of important IT factors like payment processing systems, software packages, website creation, and IT skill awareness problems acts as a setback to the small business owners of the State. These studies suggested the adoption of IT as well as the development of small enterprise information systems. They explored that information helps reduce transaction costs in small enterprises lending, monitoring, and establishing matchmaking between service requirements and delivery.

On the contrary, the IT adoption rate among small enterprises in Assam is very low. NER, India has just begun to recognize the potential of IT and understand that its adoption could play a major role in enabling growth for its business, both in domestic and international markets. However, many small enterprises in NER, India are unaware of the potential benefits of primarily IT due to a lack of exposure to IT products and services, lack of trust, and knowledge about the IT ecosystem as a whole. Later, many studies (Nath & Shillong, 2013; Bortamuly &Goswami, 2015) also confirm that the trend of IT adoption in small enterprises is also apparently growing in different states of the Northern Eastern region, including Assam and witnessed that the adoption of information technology provides tremendous benefits. They further suggested that the small enterprises of NER, India should enhance their technology adoption as well as usage to seek various quality information which is the need of the hour.

MATERIALS AND METHODS

The unit of the study consists of all the small enterprises functioning in NER, India. A multi-stage sampling method is used to take samples in two stages. In the first stage, Assam state is selected purposely among the eight states of North East India as Assam has a maximum share of small enterprises. Around 54 percent of industrial units of North-eastern states are concentrated only in Assam and as such these enterprises play a major role in the development of this region (Khanka, 2009; Sharma, 2015; Lahiri, 2016; Khadim & Choudhuri, 2018).In addition, the Annual report of MSME (2018-19), confirmed that Assam is progressing in terms of production and employment generation and is considered one of the significant areas for investment and promoting local products of the North-Eastern region (Salomone, 2008; Hazarika et al., 2018). Considering this, the present study assumed the Assam state as a representative of all eight states of NER, India in terms of requirements of small enterprises. Then in the next stage, again two districts namely Kamrup Metro and Kamrup Rural are selected purposely from the selected Assam state as these two districts include a maximum number of small enterprises of the entire Assam. According to MSME, EM Part II, Report (2016-17) there are a total of 211 nos. of small enterprises in Kamrup Metro District, and 171 nos. of small enterprises in Kamrup

rural district are registered with District Industries Centres (DICs) of the state and are functioning to date. To arrive at the final sample,25 percent of enterprises are selected through a random sampling technique for the study.

The study employed a survey research method through a structured questionnaire. The questionnaire was prepared based on the major requirements variables identified from the literature. These requirement variables are categorized into financial, marketing, and Technological dimensions. In the case of financial fifteen variables, six variables, and technical six variables were identified. Finally, a total of 192 questionnaires were distributed to the sample respondents of small enterprises, out of which 174 nos. of questionnaires were accepted with a valid response rate of 95%. The respondents were asked to give responses mostly on a 5-point Likert scale. Finally collected data is saved in a CSV file for further processing. Then, initially, the factorability of the data was tested and consequently, exploratory factor analyses were conducted to identify the major requirements variables of small enterprises.

Empirical analysis

In this section, an analysis has been made to present a picture of the demographic profile of respondents as well as the requirements of small enterprises based on empirical investigation.

a) Demographic analysis of respondents

In the case of small enterprises of Kamrup Metro, it was found that the majority of these respondents are male. Discussing the educational level it has been found that the majority of the respondents are graduates and the majority of the age group falls in the category of 31- 45 years. In this district majority of the enterprises are operating as sole proprietorships. The majority of these small enterprise enterprises are manufacturing in nature. For Kamrup Rural district, it was observed that most of the respondents are male, however, the female participation is higher as compared to Kamrup Metro district. Regarding the age group, it has been found that most of the respondents fall in the group 31-45 years which is consistent with Kamrup Metro respondents. It has been found that the majority of the enterprise sample respondents have completed their higher secondary school education only, and no further higher study has been pursued. So, there is a need for professional expertise and support to run these enterprises in Assam. It is found that in the Kamrup Rural district, the majority of these enterprises are sole proprietors, which is consistent with Kamrup Metro sample respondents. It is also found that the majority of these enterprises in Kamrup Rural district are manufacturing-oriented, which is again consistent with Kamrup Metro district sample data. It can be concluded that sole proprietorship is the most common way for small enterprises to function in both districts. Discussing the organization of business activities, it was found that the enterprises of both districts are unorganized which is worrisome. The marketing and IT functions in these small enterprises are also entirely disorganized.

Lastly, it has been observed that the usage of technology in the small enterprises of both the Kamrup Metro and Kamrup Rural Districts is quite low which is a matter of deep concern.

b) Requirements of small enterprise

The requirements of small enterprises in the districts of Kamrup Metro and Kamrup Rural of Assam are discussed in the following section separately.

i)   *Kamrup metro*

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Financial requirements of small enterprises

In this section, firstly, the researcher has considered the Small Enterprises of Kamrup Metro. To fulfill this objective, Factor Analysis has been conducted to explore the major requirements of small enterprises. Similarly, the reliability of the same has been checked to justify that the factors selected show reliable data.

The factorability of the collected data of financial requirements of small enterprises is tested with a) the Bartlett Test and b) the KMO (Kaiser-Meyer-Olkin) Test, and then the factor analysis test is conducted. It is found that the KMO value is .607 (which is more than 0.5 acceptable level) and the Bartlett test shows that the p-value is less than 0.5. Therefore, both the tests justify factorability of the data. Eventually, factor analysis is conducted. The scree plot suggested three components and accordingly factor Analysis of the same has been carried out by extracting three components which are shown in (Table 1) below:

Table 1 Rotated component matrix for financial requirements

	Components		
	1	2	3
FR5	**.942**		
FR9	**.940**		
FR3	**.935**		
FR7	**.925**		
FR11			**.829**
FR1	.286	**.713**	
FR12		-.476	.512
FR6	.280	.440	.426
FR2		-.391	.481
FR16	.286	.266	
FR4	.237	.229	.222
FR14	.212	.211	-.125
FR13	.211		-.130
FR8	.145	.140	
FR15	.129	.111	
FR10	.128	.122	

From (Table 1), the items FR5, FR9, FR3, FR7, FR11, and FR1 have been considered as factor loading of these values is more than 0.7. As such the major financial requirements that are identified for Kamrup Metro are reported in (Table 4). Lastly, reliability analysis using Cronbach's alpha has been done to confirm the data's reliability among the selected items. The overall alpha score was 0.936 which is more than 0.6 and hence found to be satisfactory.

Marketing requirements of small enterprises

Initially, factor Analysis has been conducted to explore the major requirements of small enterprises and then the reliability of the same has been checked to justify that the factors selected show reliable data.

The factorability of the collected data of the marketing requirements of small enterprises is also found satisfactory as the KMO value was 0.612 and Bartlett's Test of Sphericity was significant. Consequently, Factor Analysis of the same has been carried out by extracting two components as suggested by scree plots, and results for the same are reported in (Table 2).

The data in (Table 2) exhibits that, the items MR 3, MR 5, and MR1 have factor loading more than 0.7 and so identified as major variables for the study. Eventually, the major marketing requirements are reported in (Table 4). In addition, Cronbach's alpha value for this construct with three identified variables was 0.760.

Table 2 Rotated component matrix of marketing requirements

	Component	
	1	2
MR 3	**.850**	.181
MR 5	**.818**	.180
MR 1	**.729**	.270
MR 6	.432	-.468
MR 2	.490	.507
MR 4	.123	.456

Technological requirements

Similarly, factor Analysis has been conducted to explore the major technological requirements of small enterprises of Kamrup Metro after the satisfactory factorability of the data. As suggested by the scree plot, a component factor Analysis is conducted, and the resultant rotated component matrix for the same is shown in (Table 3).

Table 3 Rotated component matrix of technological requirements

	Component	
	1	2
TR 3	**.850**	.181
TR 5	**.818**	.181
TR 1	.562	**.729**
TR 6	.432	-.468
TR 2	.492	.407
TR 4	.123	.356

The data in (Table 3) exhibits that the items TR3, TR5, and TR1 have factor loading more than 0.7 and so these are identified as major variables for the current study. The reliability of these items was also found satisfactory with a value of 0.760. Finally, the major technological requirements that are identified are represented in (Table 4).

Table 4 Major requirements of small enterprises of Kamrup Metro

Requirements	Item	Name of the item
Financial	FR 1	Initial Start-up Finance
	FR 3	Initial Finance for Incorporation
	FR 5	Equipment Finance
	FR 7	Marketing Finance (Long Term)
	FR 9	Technological Support finance
	FR 11	Working capital (Short term less than 1 year)
Marketing	MR 1	Market Research
	MR 3	Product Survey
	MR 5	Profiling Target Markets
Technological	FR 1	Initial Start-up Finance
	FR 3	Initial Finance for Incorporation
	FR 5	Equipment Finance
	FR10	Technological Finance

ii)   *Kamrup rural*

Financial requirements of small enterprises

Likewise, to identify, the financial Requirements of Small Enterprises of Kamrup Rural factor Analysis has been conducted to explore the major requirements of small enterprises. Then as suggested by the scree plot, a three-component Factor Analysis of the same has been carried out and the result is shown in (Table 5).

Table 5 Rotated component matrix of financial requirements

	Components		
	1	2	3
FR5	**.933**		
FR3	**.920**		
FR1	**.877**		
FR13			-.865
FR10		**.784**	
FR9	.470		.407
FR11	.450	.439	.391
FR7	.414	.433	
FR12	.412	.411	
FR14	.370		
FR2	.368	.362	.236
FR4	.345	-.332	.200
FR6	.311	.307	
FR15	.307	.288	-.185
FR16	.299	.252	
FR8	-.225	.201	

From (Table 5), the items FR3, FR5, and FR1 have been taken from component 1, and FR10 has been taken from component 2. These items also tested for reliability with Cronbach's alpha which was 0.79. Eventually, the major financial requirements that are identified are represented in (Table 8).

Marketing requirements of small enterprises

Similarly, to find out the most important marketing requirement of the small enterprises in the Kamrup Rural District, a Factor Analysis of the same has been carried out by extracting two components which are shown in (Table 6).

This construct is tested for reliability with Cronbach's alpha which was 0.79. Finally, the items MR 5, MR 3, MR 1, and MR6 have been taken into consideration for the current study as shown in (Table 8).

Table 6 Rotated component matrix for marketing requirements

	Components	
	1	2
MR 5	**.830**	
MR 3	**.877**	
MR 1		**.852**
MR 6		**.817**
MR 4	.291	-.709
MR 2	.109	.689

Technological requirements of small enterprises

Likewise, the major technological requirements of small enterprises of Kamrup Rural are identified after factor analysis. A component factor analysis was conducted and the result of the rotated component matrix is shown in (Table 7).

Table 7 Rotated component matrix for technological requirements

	Components	
	1	2
TR 1	**.782**	
TR 3	**.736**	
TR 6		**.732**
TR 5	**.715**	.488
TR 4	.561	.411

Finally, the items TR1, TR3, TR6, and TR5 have been considered for further study. The major marketing requirements

that are identified for further research are represented in (Table 8).

Table 8 Major requirements of small enterprises of Kamrup Rural

Requirements	Item	Name of the item
Financial	FR 1	Initial Start-up Finance
	FR 3	Initial Finance for Incorporation
	FR 5	Equipment Finance
	FR10	Technological Finance
Marketing	MR 1	Market Research
	MR 3	Product Survey
	MR 5	Profiling Target Markets
	MR6	Designing Distribution system
Technological	TR 1	IT Use Assistance
	TR 3	Updating Software Packages
	TR 5	Website Creation
	TR6	Purchasing Website Domains

RESULTS AND DISCUSSION

The study has been conducted in small enterprises of Assam assuming a representative of the entire NER, India. The Demographic analysis of the sample respondents reveals that male representation is more at top-level management in the small enterprises of Kamrup Metro. This is mainly due to the industry being mostly operated and dominated by males as compared to females. However, in Kamrup Rural, the female participation in operating the enterprises (that is at a lower level) is found to be more as compared to the enterprises in Kamrup Metro District. This confirms that gender centric approach may be adopted in the region to support these enterprises. Further, it has been found that the education level of respondents of both the districts are poor and this indicates that they lack professional expertise and knowledge and this may lead to improper decision making which may be a big hurdle in smart functioning and growth of the enterprises. These findings are in line with the findings of the studies conducted by (Stull *et al*., 2008; Hazarika *et al*., 2016; Deka and Goswami, 2020). This indicates that appropriate training and awareness programs might help small enterprises in the region to overcome the issues to a certain extent.

In addition, descriptive analysis also reveals that most of the young respondents within the age of 30 years are not interested in handling the affairs of the enterprises in both districts. The reason for this is that most young people feel that getting a job is the most secure way rather than operating an enterprise. As such, the presence of young minds in the operation of the enterprises is found to be very low, which is again a matter of concern considering the future of the small enterprises in the region.

The analysis also reveals that the majority of small enterprises are operating in the manufacturing sector and most of these enterprises are sole proprietors. This clearly shows that sole proprietorship is considered the most common way for small enterprises to function as it is regarded as the easiest way to start a business without much lengthy paperwork and other business complexities. The services sector is still lacking in these parts and serious efforts are needed to boost the services sector of the region.

Moreover, most of the enterprises are unorganized which is worrisome. This is primarily due to a lack of market knowledge and market assistance provided to these small enterprises. This finding is consistent with the findings of the earlier studies (Tesfom and Lutz, 2006; Chimucheka and Rungani, 2013).

Also, the requirements of these small enterprises are vivid, and these requirements can be classified into financial, marketing, and technology dimensions. The results of the exploratory factor analysis suggest that initial startup finance, initial finance for incorporation, equipment finance, marketing finance (long term), technological support, technological finance and working capital finance (short term less than 1 year) have been identified as the major financial requirements of small enterprises in both districts. These findings confirm that the enterprises of the NER, India need basic startup and initial finances to operate the business. Similarly, working capital finance is seen as a major requirement for the small enterprises of Kamrup Rural district. These findings are more or less similar in both districts of the state. This clearly states that these enterprises of the region need startup finance as their primary financial requirement. Equipment and technology both go hand in hand. Small enterprises with limited capital find it extremely difficult to purchase new and improved equipment for business activities as such they face a lot of competition from big business houses. Likewise, in modern businesses, investments in technology are of vital importance to compete globally. However, small enterprises with limited revenues and capital cannot afford to make heavy investments in upgraded technology. Thus, this necessitates them to look for technological finances for upgradation and to remain competitive.

These small enterprises suffer from professionalized management and professional marketing skills as well as being part of industrially backward regions that face difficulties in marketing the products. Findings revealed that market research, product surveys, and profiling target markets are important marketing requirements for both districts of Assam. However, in the case of Kamrup Rural, another additional marketing requirement such as designing a distribution system is considered a major requirement. Therefore, these may be considered as marketing requirements of the region. Likewise, for the technological requirements of small enterprises, IT use

assistance, software package up dation, and website creation were identified as the major requirements as these enterprises have very little technological know-how and low adoption of technology. The study confirms that these technological requirements are the same in both districts. However, in the case of Kamrup rural district, there is another additional requirement of purchasing a website domain. This is mostly because, in metro cities, it is very common for all enterprises to have their domains. However, the same is not considered as important by the enterprises of rural districts which in turn also leads to minimum business activities through e-commerce which is a major hindrance and cause of sickness for the enterprises of this district. So, for cities NER, India, we may consider IT use assistance, software package up dation, and website creation as the major requirements, and for the remotely located part, there is another additional requirement of purchasing a website domain.

CONCLUSION

This study facilitates an in-depth understanding of the issues surrounding the small enterprise's requirements in the North Eastern Region of India. The study confirms that there are few major requirements in financial, marketing, and technological aspects. Thus, for successful flow and to compete globally in any business, focus must be given to these aspects. These aspects may lead to success as well as failure in any enterprise. Therefore, the growth and development of small enterprises in the region may be enhanced. if these requirements are fulfilled to some extent. This research has focused on small enterprises, particularly in Assam, and was generalized to other North Eastern States. Thus. future studies may be undertaken with a higher sample size by selecting samples from all states of North East India to achieve higher accuracy as the functions and requirements of these small enterprises may vary among states due to sociocultural orientations and prevailing legislation.

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