A thorough review and survey of related literature forms an important part of research. It deals with the critical examination of various published and unpublished works related to the present study. Knowledge of related research enables the researcher to define the frontiers of his fields; it helps in comparing the efficiency of the various procedures and instruments used. Further review of literature avoids unintentional replication of previous studies and also places the researcher in a better position to interpret the significance of his own results. Here the researchers highlight the review of research works carried out by various researchers related to the micro, small and medium enterprises at international, national and local levels.

**Nayak Committee (1992)**¹ set up by the Reserve Bank of India to examine the adequacy of institutional credit to the Small Scale Industrial sector and the related aspects. The Committee found that banks insufficiently serviced the working capital needs of the sector particularly that of cottage and tiny enterprises. Moreover, there is a need for the setting up of specialized bank branches of small scale industries, the absence of which has led to serious bottlenecks. Further, the system of providing term loan and working capital by two kinds of institutions, viz. Banks and State Financial Corporations (SFCs) has given rise to a host of problems of co-ordination among them.

**Lianzela (1994)**² work is based on the economic development of Mizoram as a whole. He focused on various sectors of the economy and their development purely from the economic point of view. Although he put valuable

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¹ http://www.bankingindiaupdate.com/nayak.html
suggestions and policy recommendations for the future development of the state, he did not give any specific strategy for the development of small scale and cottage industries in the state.

Baldwin et al. (1994)\(^3\) report that small and medium-sized firms have experienced that skilled labor is one of the most important factors contributing to their growth. To be successful in a global market, a small firm needs a highly motivated, skilled and satisfied workforce that can produce at low costs.

Ramaswamy (1994)\(^4\) approximates the small-scale sector in India by the non-factory non-household segment of the manufacturing sector. It is found to be a significant source of manufacturing employment. Particularly, during the period 1981 to 1991, most of the addition to the manufacturing employment has come from non-household non-factory segment. Registered small-scale (SIDO) units are found to be a small but growing segment of manufacturing. It is observed that wages in small-scale units are lower relative to the large-scale sector but labour productivity is not proportionately lower in 1987-88. This suggests that the shift to non-factory employment may be due to labour cost advantages of small-scale production. The production of reserved items is not found to be a dominant activity of SSI units. The estimated output share of reserved items in industries with the largest share of the number of reserved items is not found to have increased, this question the policy of product reservation for the small-scale sector.

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Brooksbank (1995) examined the marketing practices among small New Zealand organisations by taking a sample of 427 small business owners. Findings revealed that the small business firm looks the marketing practices differently from their larger counterparts. Small business owners use marketing practices according to their financial capacity and sometimes have to resort to world of mouth methods.

Roberts (1995) in his empirical work comment that small industry sector has performed exceedingly well and enabled India to achieve an extensive measure of industrial growth and diversification. By its less capital intensive and high labor absorption nature, SSI sector has made significant contributions to employment generation and also to rural industrialization. Under the changing economic scenario especially in the era of liberalization, SSI has both the challenges and opportunities before them. The business can compete on cost, quality and products at a domestic and international level only if the ideal investment in technology, production process, R&D and effective marketing are made. Infrastructure bottlenecks are not completely solved. The promotional activities for SSI in India need to concentrate on improved credit flows, human resource development, appropriate technology and funds for modernization.

Rajput, et al (1995) in their article titled “Sick SSI units in India: Role of Commercial Banks”, mentioned that though a number of steps were being taken by commercial banks in nourishing SSI units, it was difficult to bring the sick SSI units on to the right track. For example, the industry's exposure to SSI as a percentage of total advances has ranged between 15 and 18 per cent. But the

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recovery percentage had lowered to about 35 per cent, much below the minimum of 60 per cent for a viable recycling of funds.

Safizadeh et al. (1996)\(^8\) reveals the key factor to survival and prosperity of small businesses in this decade and beyond will likely rest on their ability to successfully exploit and benefit from the rapidly developing field of information processing in manufacturing

Abid Hussain Committee (1997)\(^9\) Report on small enterprises has examined and suggested institutional arrangements, policies and programmes for meeting long term and short term requirements of the small scale industries. The Committee found that the reservation policy of specific products for exclusive manufacture by small scale industries had not served much purpose as most industrialization had occurred in items not reserved for small scale industries. Moreover, it had resulted in lower efficiency and productivity and restricted the expansion and export potential of important industries like light engineering, food processing, textiles and others. Credit to the small scale industrial sector had become more and more expensive especially after interest rate deregulation. Institutions and regulatory policies responsible for technical assistance, human resources development, industrial standardization etc. expected to play a provocative role in halting technological obsolescence particularly among tiny units did not prove so effective.

Rualkhuma (1997)\(^10\) focused on the industrial development of Mizoram, which is indeed a geographical interpretation of the existing bottlenecks and

problems rather than economic analysis. He laid stress on the development of small scale and village industries to boost the overall economic development of the region. His work did not give any concrete solutions on the existing problems and drawbacks of industrial development from an economic perspective.

*Malga Weker, (1997)*\(^{11}\) in his study entitled, “Problems of small Industry in Andhra Pradesh” has found the lack of infrastructure as a general problem. The industrial estate alone cannot overcome the vocational disadvantages. The infrastructure facilities are either very weak or non existent in rural areas. In urban areas with necessary industrial climate and infrastructure facilities, the growth of industries is relatively faster. The scarcity of indigenous raw materials has been a serious bottleneck. Scarce raw materials supplied through quotas are not sufficient to meet the demands of the units. There is a delay in the disbursement of the loans due to the existence of procedural delays and instances of tangible securities.

*Ramani (1997)*\(^{12}\) quotes in State Bank of India Report which identified that financial management, lack of planned and organized approach are the major cause of failure. However in his study of 20 units, he finds management failure as the single largest contributing factor. He also found problems with governmental procedures and consequent delays contributing to the malaise. However these and other studies also refer to the problem and the importance of marketing function on the need for planning and organizing for marketing.


\(^{12}\) Srinivasan. R. 1997, "A study of marketing orientation to the success of small scale industries, conducted by Administrative Staff College of India, sponsored by Indian Council of Social Science Research, New Delhi
Bepin Behari (1997) examined the problems, possibilities and perspectives of rural industrialization and discussed the crises in Indian villages and the need for the new strategy of rural industrialization and the provision of fuller employment in rural and small scale industries and technologies. He traced out agricultural development encouragement to village and small scale industries and general awareness for incorporating appropriate technologies as principal sources of impetus to the programme of technological transformation in rural India. Further he reviewed various measures undertaken by the Government towards rural industrialization local industrial growth, and agro-based industries, and mini-rural cement plants, utilization of annual waste and the harnessing of natural power.

Andhra Pradesh Industrial Technical consultancy organization and Kerala Industrial Technical consultancy organization conducted a study of the various problems faced by the industries in three states viz. Kerala, Karnataka and Andhra Pradesh. This study revealed that the serious problem faced by the units was the inadequate working capital. 69 per cent of units in Kerala, 44 per cent of units in Karnataka and 52 per cent of the units in Andhra Pradesh are facing the working capital problem. The next serious problem is marketing as 30 per cent of the units in Kerala felt it. Another setback, non availability of raw materials has affected the productivity of several units in all the states, especially in industry groups such as metal- products in Kerala, chemicals, rubber and plastics and metal products in Andhra Pradesh. It is observed that the delay in getting timely

finance also hampered the productivity of the units and this leads to high cost of production.\textsuperscript{14}

\textbf{Suresh D. Tendulkar, et al (1997)}\textsuperscript{15} evaluated the government policy designed for the modern segment of the small scale manufacturing sector. They argue that the policy has been and continues to be supply-driven and paternalistic leading to dependency. In addition, the individual unit-centered atomistic approach of policy is dominated by continuous protective and discretionary promotional measures with perverse incentive effects in the healthy growth of this segment. They underline the need to move away from continued protection and bureaucratic discretion-based promotion and argue for a radical shift in this policy towards a demand-driven, group-oriented and collective effort-based (rather than atomistic) approach. They argue for the abolition of the indiscriminate reservation of production lines for exclusive product in the small scale sector and introducing and strictly enforcing the time bound character of promotional concessions. It would induce this segment to get out of the syndrome of remaining small and inefficient. They suggested shift in policy is necessary in order to flexibly adjust to fast changing circumstances so as to better serve the longstanding and as yet unattained objective of developing a vibrant and self-reliant modern small scale industry.

\textbf{Lahiry (1997)}\textsuperscript{16} in his article “Rural Industrialization – An Overview”, pointed out that improvement of the economic conditions of the rural population


was closely linked to the growth and development of rural industries. Rural industrialization should continue to be a central component of industrial policy and the Khadi and Village Industries Institutions should be strengthened in order to meet the challenges posed by rapid industrialization and intense competition due to the opening of the economy. The growth of the small-scale sector and its contribution to export had been impressive. However, the sector required further encouragement to be able to grow by tapping both domestic as well as international markets.

Dasanayaka, (1997)\textsuperscript{17} the main objective of their study is identification of issues related to the SMEs with special emphasis on definitional and future research direction aspects. The final outcome of this study is to show the issues emerging from national level SME databases in Pakistan and Sri Lanka to formulate coherent policies and strategies to develop SMEs to their full potential to accelerate economic growth and development in both countries. The issues raised and research directions set by this study can be used for any South Asian country to develop their informal sector SMEs to full potential.

Mali (1998)\textsuperscript{18} in his study he observed that small and medium enterprises (SMEs) and micro enterprises have to face increasing competition in the present scenario of globalization, they have to specifically improve themselves in the fields of management, marketing, product diversification, infrastructural development, technological upgradation. Moreover, new small and medium enterprises may have to move from slow growth area to the high growth area and they have to form strategic alliance with entrepreneurs of neighbouring countries.

\textsuperscript{17} Dr. S.W.S.B. Dasanayaka, “Small and Medium Scale Enterprises in Informal Sector in Pakistan and Sri Lanka with Research Agenda”, : http://www.iariw.org

A data bank on industries to guide the prospective entrepreneurs including investors from abroad is also needed.

Sarma (1998) in his study entitled, “Industrial development of Andhra Pradesh – A Regional Study” has observed that the backward districts of the state improved their relative positions in terms of units of employment and capital. The majority of the smaller units are confronted with the problems of raw materials and finance.

Khanka (1998) in his study observed that the development of Small scale industries in Assam is at low level because of inadequate infrastructural facilities, problems of finance, marketing and insurgency. Therefore, for industrial development, Government should create infrastructural facilities like transport, communication, power, energy etc. Moreover, state level techno economic survey should be carried out to explore the possibilities for developing specific industries successfully. Local people should be motivated to promote entrepreneurial spirit in the region. Government should take strong initiatives to curb the insurgency in the region to make congenial climate for industrialization.

Sekhar (1998) in his World Bank Staff Working Paper No: 620, entitled, as “Uday Industrial Location Policy- Indian Experience”, have observed that the location policies were successful in narrowing the disparities of industrial location in different States. The value added and employment is more equally distributed among the States during 1960 and 1975. He also examined intra-regional distribution of industry by comparing the degree of concentration of

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industrial employment in 1961 and 1971 by grouping cities by size and arrive at the conclusion that, in India as a whole, the degree of concentrations of employment in household industry has declined substantially between 1961 and 1971. However the non household industry maintained its level of concentration during the period.

Agarwal (1999)\textsuperscript{22} mentioned that the entrepreneurs of small scale industries are generally lacking in knowledge of various aspects as how to set up an industry. Owing to the predominance of agricultural background of the region, the infrastructure for industrial development has not developed properly. Apart from lack of industrial tradition and managerial class, the State is handicapped by difficult terrain and disturbed socio-political conditions are also adversely affecting industrialization in the state.

Rajendran (1999)\textsuperscript{23} examined the various kinds of assistance given to small scale industries with the prime objective of identifying institutional assistance for the development of small scale industries and the problems faced by these industries in Tiruchirapalli district. He concluded that the greatest problem faced by the small entrepreneurs was the non availability of adequate financial assistance. Moreover, the small enterprises also face problems relating to the acquisition of raw material, marketing of products and technological and administrative problems. There were complicated procedures in availing loans from financial institutions and there is no coordination between the promotional institutions and government agencies.

Ramesha (1999) examined the trends in credit supplied to small scale industries by Scheduled commercial Banks (SSBs) and the State Financial Corporations (SFCs) and their inter State disparities. The study found that commercial banks continue to play a dominant role in financing small scale industrial sector. However, the growth rate of bank credit has been low as compared to the growth rate of production in the SSI sector. Therefore, he concluded that the banking sector has failed to meet the increasing credit requirements of the SSI sector. The inter-State disparities in the distribution of credit have also been widened between 1989-90 and 1995-96. Moreover, the credit from SFCs term credit has shown relatively higher growth rate as compared to banks credit (short term) but still inter-state disparity in SFCs credit has also widened during the reference period.

Robert, et al (1999), in their study panel data on 788 modern sector Indian firms during 1965-78 are used to analyse the link between the size of a firm and its financial environment. Exogeneity tests reveal that large firms with improved investment prospects could obtain external finance at the margin, but that small firms could not. The policy of directing bank credit accordingly relaxed a binding constraint on small firms, raising investment. Assuming that all of the rise in the credit-sales ratio in small firms was policy-induced then so was about one third of the 170 per cent rise during 1965-78 in their investment sales ratio.

Himachalam ²⁶ (2000) in his study entitled, “Entrepreneurship Development in Small Scale Sector” revealed that entrepreneurship development and small scale industrial development are the obverse and reverse of the same coin. The government and financial institutions have done a lot in this area through Entrepreneurship Development Programmes (EDP). But they have still failed to attract the class of people for whom these programmes are meant. Therefore he puts forth a few suggestions: (i) the entrepreneurs should be provided with more and more information on various aspects of EDP. (ii) there should be suitable organizational arrangements for disseminating information about appropriate technology to the proposed entrepreneurs (iii) Entrepreneurs should be provided with full assistance not only in preparing project reports but also in meeting financial requirements (iv) preparation of directory of industrial technical and management experts and (v) intensive efforts should be made to impart more technical training to the entrepreneur trainees.

Clancy, Joy (2001)²⁷ focused on the innovation process in small- and medium-scale industries in developing countries, raking the briquetting (densification of biomass) as a case study. The technical efficiency was found to vary significantly between firms, which can be attributed to the lack of technological capabilities within firms and weaknesses in the external environment. Management skills were found to be weak, which has been identified as the major factor inhibiting innovation within briquetting firms. Institutional support was found to be weak too. The policy issues that had the most influence on the innovation process were identified as import restrictions

²⁷ Clancy, Joy, “ Barriers to innovation in small-scale industries: case study from the briquetting industry in India”, Science, Technology and Society, 6 (2). pp. 329-357.
and financial incentives. Technology is still interpreted as hardware. Consequently, measures tend to focus on these aspects, whereas attention needs to be given to upgrading and modernizing entrepreneurs management skills.

Bhati (2002) 28 the role of small-scale industries in the economic development of India in recent years is critically analysed in this study. The various factors affecting the growth and development of small-scale industries and the problem faced by this vital sector of Indian economy is examined. The contribution of small-scale industries in employment growth, production, export promotion and other economic indicators are discussed. Conclusions drawn from the analysis of the data suggest that the various policy initiatives taken by the Government of India since independence have helped this sector to grow considerably. Some of the policies of the Government of India may, however, not be very helpful in increasing the efficiency of the units in this sector as the number of non-viable units are increasing steadily.

Mambula (2002) 29 analyzed major constraints faced by SMEs in Nigeria. A sample of 32 small business entrepreneurs was taken. Analysis of data revealed that the majority of SMEs face the problem of finance and infrastructure while managing their businesses. The researcher recommended that small business entrepreneurs should collaborate with each other to sort out the various problems faced by them. There is a need to form an alliance of Government, Research Institutions and Financial Institutions to create appropriate training for


prospective small business. All these measures will go a long way to strengthen the growth of small scale sector.

Singh, et al (2002) examined various issues such as the nature of the pressures and constraints, priorities for making investment and developing competencies and their competitiveness. Different dimensions of performance and competitiveness have been identified. In analyzing these issues questionnaires based survey methodology was used. Total 75 responses were received. For analyzing the data SPSS 10.0 software is used. On the basis of analysis of data, it is observed that cost reduction, quality improvement and delivery in time are major pressures on SSIs. Lack of growth conducive environment and inadequate government support are major constraints. For making investment, market research, welfare of employees and research and development are major areas of investment. Performance of Indian SSIs is not found very satisfactory in comparison to international standards. However their growth in terms of market share, sales turnover and profit is higher than moderate level. It may be due to enhancing opportunities for them after market globalization. This study implies that Indian SSIs have lots of potential for growth provided they can improve their competitiveness at the global level.

Murgan R. (2002) in his study entitled, “Industrial Estates in Tirunelveli Region –An empirical study of their impact on the growth of small scale industrial units,” analyzed the impact of industrial estates on small scale industrial units located in Kanyakumari district. The study identified the various

factors which influence the growth of small scale industrial units in industrial estates in Kanyakumari District. They are scientific sales management, budgeted production, availability of institutional finance, the availability of working capital, availability of water at confessional rate, undisturbed working environment, ploughing back of profits and availability of investment subsidy, nearness to raw materials and utilization of installed capacity.

Dakar (2003)\textsuperscript{32} has examined the industrial relations in small scale sector by taking a sample of 50 SSI units from the NCR region of Delhi. The study has highlighted that better facilities for employees will help to maintain better industrial relations in the SSI units. There is a need to follow effective HR policies to reduce labour turnover in small scale sector.

Alagappan, et al (2003)\textsuperscript{33} have examined the entrepreneurs’ perception towards financial institutions. A sample of 120 SSI units has been selected from Madurai district. The study has observed that the entrepreneurs have an average level of satisfaction towards the lending practices of financial institutions. The reason for this has been attributed to more margin money requirement and higher service charges taken by them. The authors have suggested various measures to remove all these hurdles for the speedy growth of entrepreneurship in the SSI sector. It has also been observed that financial and supporting measures are essential for the growth of small scale sector.

Dutta, et al (2003)\textsuperscript{34} emphasized that the small-scale industry is a key to India's growth and alleviation of poverty and unemployment in the country.

Therefore, promotion of such enterprises in developing economies like India is of paramount importance since it brings about a great distribution of income and wealth, economic self-dependence, entrepreneurial development employment and a host of other positive, economic uplifting factors. Moreover, in a country like India with an adverse Balance of Payment situation, the growing contribution of the SSI sector in India's export portfolio goes a long way in generating forex and smoothening out the adverse BoP situation. This study, therefore, analyzed the impact on the Indian economy caused due to the growth of this sector and the factors responsible for its growing contribution towards the export performance of India.

Narayana (2004) focused on analysis of quality and cost of infrastructure facilities and business environment, and their impact on competitiveness of India’s Small-Scale Industries (SSIs). Infrastructure facilities include transport, market information, credit, power, water, telecom, technology upgradation and quality certification. Quality of business environment is indicated by duration of the delay in obtaining Governments permissions and clearances. The analysis is based on both primary and secondary data. Primary data were collected from a sample survey of 373 SSIs in Bangalore and non-Bangalore regions of Karnataka State. The results show that low quality and high cost transport facilities, power, water supply; lack of market information; inadequate credit facility; and low technology have lesser effects on the competitiveness of SSIs in Bangalore region than in other regions. In addition, extent of delay varies between regions in getting credit sanctioned from banks, getting tax and duty-drawbacks, getting temporary and permanent registration,

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clearances for exports, permission for expansion and diversification, power and water connections, and clearance from pollution control. A comparison of these results with the World Bank’s Business Environment Survey results for India and China shows important factors that affect the global competitiveness of SSIs in the State.

Bayineni (2004)\(^{36}\) pointed out that the small scale industry which plays a key role in the Indian economy in terms of employment and growth has recorded a high rate of growth since independence. Till 1956, the number of small scale units was 6195. Today it stands at 35.72 lakhs. The inherent advantages of small-scale units are reduction of regional imbalances, low investment, greater operational flexibility, low costs of production, high capacity to innovate and export, greater geographical dispersal, utilization of local material and human resources. In terms of employment, it employs 199.65 lakh persons and is the second largest employer of India’s workforce after agriculture. Today, there is a global recognition for the small enterprises as they could very well be or become the backbone of the economy. The central discussion of his study highlights the role and performance of small-scale industries in the economy with the parameters of a number of units, production, employment and exports.

Riyani (2004)\(^{37}\) developed a research model in which the demographic variable has influenced the success of small scale entrepreneurs of Indonesia. From the model it is clearly known that, age has a direct impact for the achievement of small scale entrepreneurs. Education and nature of business have not directly influenced the success of small entrepreneurs. The researcher has


concluded that, implementation of a balanced entrepreneurship with both theory and practice could contribute to the emergence of new entrepreneurs.

**Adetayo (2004)**[^38] examined the determinants of entrepreneurial success of small firms in Nigeria. The main aim of the study was to predict the contribution of education to the performance and growth of small enterprises. In this study, 39 small firms were selected by purposive sampling technique. The study portrayed that, the level of education had positive relationship with entrepreneurial success. So, education has an influence on success.

**Nurul Indari (2004)**[^39] made an analysis of factors affecting business success among SMEs. 100 small and medium entrepreneurs were selected by Purposive Sampling procedure. The analysis revealed that, education had significant relationship with business success. University education experienced lower level of success than elementary and senior high school education. Other individual background like age and gender had no significant associations with business success.

**Tulus Tambunan (2005)**[^40] found that, according to their level of development, there are three types of clusters in Indonesia. The first one is called “artisinal” cluster, which dominated clusters in Indonesia, indicating that the process of clustering in the country is still at an infant stage. This type of cluster displays many characteristics of the informal sector, with level of productivity and wages being much lower than those of clusters dominated by SMEs. The

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second type is called “active” clusters, which have developed rapidly in terms of skills improvement, technological upgrading, and successful penetration of domestic and export markets. The third type is modern or “advanced” cluster in which many active clusters are more developed and become more complex in structure. Second, the study has demonstrated that SME development policies with a clustering approach are important from a public policy perspective. This strategy makes it more effective and more efficient for government to provide technical assistance and general facilities to a group of firms in one place than to individual firms in dispersed locations. Also, from a regional economic development policy perspective, this approach is important, as development of a cluster in a region will also promote development of other local sectors in that region, and hence economic growth of the region. Third, the study has found that in many cases, cluster development policies in Indonesia have not been successful. In essence, most failures can be attributed to (1) neglecting cluster linkage to markets; (2) neglecting or even eroding SMEs’ self-organization potential; and (3) limited support from local government and private organizations.

Tagoe et al (2005) has examined the financial challenges facing by urban SMEs under financial sector liberalisation in Ghana. Main challenges faced by urban SMEs are access to affordable credit over a reasonable period. To manage this challenge SMEs should manage record keeping in an effective manner. Moreover, the availability of collateral improves SMEs’ access to formal credit. But better availability of investment avenues further reduces the accessibility of credit to SMEs.

Ismail, et al (2006)\textsuperscript{42} have analyzed motivation in business start up among Malay entrepreneurs and the problem faced by these entrepreneurs. The study has concluded that there is a large number of motivational factors but chief among them are personal development and financial security. Insufficient finance and tough competition from others are the main problems faced by entrepreneurs.

Kuruba (2006)\textsuperscript{43} has analyzed issues in the promotion of small business enterprises in Botswana. The researcher has observed that the Botswana economy has a congenial atmosphere for the growth of small business enterprises. There is a need to provide training, financial and institutional support for these enterprises.

Yadollah Mehralizadeh (2006)\textsuperscript{44} studied factors related to success and failure of entrepreneurs of small industrial business with emphasis on their level of education and training. 140 respondents were selected by Stratified Random Sampling from 1254 small entrepreneurs registered under Iron’s Industry office. From empirical evidence, majority of successful entrepreneurs had no enough education and training in relation to entrepreneurship. researcher concluded that, education has to promote for creating successful entrepreneurs. Because, education is considered to enable them to identify market opportunity and generate a business idea.

Dubey (2007)\textsuperscript{45} have reviewed various issues and challenges faced by SSI under WTO regime. The study has suggested that there should be easy accessibility of technology in this sector. R & D at the local level be encouraged.

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\textsuperscript{44} Yadollah Mehralizadeh & Hossain Sajady., 2006. “A study of factors related to successful and failure of entrepreneurs of small industrial business with emphasis on their level of educationand training”. Retrieve from http://ssrn.com/abstract =902045
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There should be co-ordination between Government, industry and institutes of
higher learning in this direction. The technology development fund should be
further strengthened in this direction.

Wu et al (2008)\(^\text{46}\) has examined an empirical evidence of small business
financing in China. A sample of 60 small businesses from three cities of china
was taken. The study has revealed that at the initial stage SMEs in China have
used own sources and finances from relatives in friends. But at the later stages,
SMEs in China has used bank finance. The reason being, banks in China require
various formalities to be fulfilled by SMEs such as taxation submission reports,
accounting and credit rating scores documentations, etc.

Maheshwari, et al (2008)\(^\text{47}\) deals with issues on the future of Small-Scale
Industries (SSIs) in India in the present era of globalization and liberalization
with the advent of TRIPS. The study specifically focuses on the SSIs having
investment of less than Rs 1 crore and discusses the importance of Indian SSIs in
changing economic environment and its implications on small industries.

Mumtaz Ali Junejo, et al (2008)\(^\text{48}\) investigates the growth of different
small scale industries in terms of sales, profit and employment. The researchers
have selected 113 different small industrial units from the Sukkur estate area. It
has found that growth of sales, profit and employment has been decreasing since
1990 to 2004-05 in the estate from 5 per cent to 3 per cent every year by the
reason of lack of professional education of the owners in the field of management

and marketing. This research has found that the growth rate of established units since inception of the estate is not satisfactory i.e. 37.91 percent.

**Sahu, et al (2008)**\(^49\) pointed out that the Small scale industries (SSI) have a significant role in the Indian economy in view of its contribution to production, employment, and export. However, since 1991 small scale industries in India find themselves in an intensely competitive environment due to globalization, domestic economic liberalization, and dilution of sector specific protective measures. The formation of World Trade Organization in 1995 also forced the member countries (including India) to drastically scale down the restrictions on imports. This study analyzed the various factors influencing the growth of small scale industries in India. Information Technology (IT) is one of the significant factors, which is, in general, not used by the small scale industries in India for their production and business process, in the growth of small scale industries in India. Further on the basis of Nolan’s ‘Stages of growth model’ the stages of use of information technology in small scale industries are studied.

**Cheng, et.al.,(2007)**\(^50\) their research attempts to investigate the differences of consumer perceptions on product quality, price, brand leadership and brand personality among national brands, international private labels and local private labels. It aims to use product categories as the moderator of the preceding perceptions. Data were collected outside the entrances of the main rail station of Taipei, Taiwan. A systematic sampling was adopted and 254 questionnaires were eventually collected. The findings revealed that on the

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whole national brands were perceived as significantly superior to international private labels, while international private labels were perceived as being superior to local private labels in terms of all perceptions except price perception. The findings also revealed that product categories moderated price and brand personality perceptions across the three brand types, while product categories failed to moderate the effect of the three brands types on quality and brand leadership perceptions.

Lozi, Basem Mohammed (2008)\textsuperscript{51} emphasized that the Small scale industry sector occupies a place of strategic importance in the Jordanian economy structure due to its considerable contribution in terms of output, exports and employment. Small scale industries play a key in the industrialization and development of a country. This is because they provide immediate large scale employment comparatively higher capital ratio, they need lower investment, offer a method of ensuring a more equitable distribution of national income and facilitate an effective mobilization of resources, capital and skill which might otherwise remain unutilized. Development of small scale industries was governorate affair therefore, these industries were planned by the governors. The governorate co-ordinate the development programs through its agencies. The small scale industry sector was a major contributor to the industrial economy of Jordan. It accounts for 50\% of the total manufacturing sector, has 20\% share in exports and provides 80\% of employment in industrial sectors. In spite of all the odds it has always performed well. Despite the global and domestic recession, small scale industries registered a higher growth rate when the overall industrial

sector in terms of number of units. Liberalization has forced all industries to constantly upgrade their quality while cutting down the costs if they want to remain and retain their place and share in the global market. Small scale industries world over including Jordan were facing the on slight of the adverse effects of globalization in the stringent requirements of quality costs, tight delivery schedules and productivity.

Sonia, et al (2009)\textsuperscript{52} analyzed the impact of globalization on the growth of small scale industries. The comparative analysis of growth pattern of key parameters between Pre- and Post – Globalization periods reveals that the “globalization” had a negative impact on the growth of small scale sector measured in terms of number of units, production, employment and exports. A fall in the rate of growth of the number of units and employment generation in post liberalization period is a matter of serious concern for the policy-makers and planners. The result showed that globalization is almost a complete failure on the growth front. To conclude, the researcher opined that the recent trend of growth of SSI sector showed the trust of the Indian economy on globalization and liberalization, which has failed to render a positive impact on the growth of Indian Small Scale Sector. No indicator shows the positive impact, in each case the average growth rate is less in the post-globalization period than the pre-globalization period.

Annapurna Dixit, et al (2009)\textsuperscript{53} evaluated the performance of the Small-Scale Industries (SSI) as well as the productivity of labor and capital in this sector, for the period 1973-2006. The average annual growth rates of total

\textsuperscript{52} Sonia and Dr. Rajeev Kansal, “Globalization and Its Impact on Small Scale Industries in India”, PCMA Journal of Business, Vol. 1, No. 2, pp. 135-146, June, 2009

production, exports, employment and investment in the SSI and the number of SSI units during the period 1973-2006 are estimated using the OLS method of the time series data. The average annual growth rates for the sub periods, 1973-80, 1981-90, 1991-2000 and 2001-2006, are estimated by incorporating slope and intercept dummy variables. The paper also estimates the marginal productivity of labor and capital in the SSI sector. The findings of the present study are quite interesting. Results reveal that the marginal productivity of labor in SSI is positive and highly significantly during the study period.

Michael Bowen, et al (2009)\textsuperscript{54} employed stratified random sampling to collect data from 198 businesses using interviews and questionnaires. The data were analyzed descriptively and presented through figures, tables and percentages. The findings indicate that SMEs face the following challenges; competition among themselves and from large firms, lack of access to credit, cheap imports, insecurity and debt collection. Credit constraint seems to be easing up when compared to previous researches. Relevant training or education is positively related to business success. The SMEs have the following strategies to overcome the challenges; fair pricing, discounts and special offers, offering a variety of services and superior products, customer service and continuously improving quality of service delivery. The research concludes that business success is a consequence of embracing a mix of strategies.

Sanjeev Gupta, (2009)\textsuperscript{55}, his study seeks the generation of forecasts of the number of units, employment, capital formation and production of small scale industrial sector of Punjab for ensuing decade till 2019-20. Forecasts have been


generated for the lead time of thirteen years by using Auto Regressive Integrated Moving Average (ARIMA) model, based on identifying the pattern followed by past values of at each variable and then extrapolating the pattern in the past for short periods. The analysis of forecasted figures has revealed that the fixed capital investment and production would experience significant growth during the lead time of thirteen years from 2007-08 to 2019-20. Number of units and employment are expected to observe meager growth during this period indicating low possibility of absorption of labour force in this sector. In the light of the forecasts of low employment, it is imperative that the state government to take concerted economic policy initiatives to strengthen the industrial base in Punjab. In this regard catastrophic changes are required so far as industrial policy of Punjab is concerned.

Rana Ejaz Ali Khan, et al (2010) attempted to identify the factors affecting the export production and export productivity of cottage industry of Sialkot. The important findings are that the experience of entrepreneur, working conditions in CIU, education of entrepreneur and distance from market positively affects the export production and productivity of cottage industry. Labor (working hours) and capital also positively affects the export production of cottage industrial unit. The explanation may be that cottage industrial units heavily depend on labour that is why the elasticity of export production with respect to labour is very high. The researchers concluded that production in CIUs is labor intensive and an increase in working hours leads to increase the export production of units. Amount of capital also positively affects the export production of the unit. The units producing footballs and other sports goods

depend less on capital or machinery. On the other hand units producing leather and surgical goods depend equally on labour and capital. The increase in capital in these units has directly led to increase the export production of the unit.

Redzuan, et al (2010)\textsuperscript{57} identified factors that contribute to the development of handicraft industries. The focus is on batik industries. The study was carried out in the District of Kota Bharu in the State of Kelantan, Malaysia, and targeted the entrepreneurs in the batik handicraft enterprises. The study is based upon both quantitative and qualitative analyses of material derived from field-work in several villages in the study area. The analysis of data employed path-analysis model in order to determine the factors that contribute to the explanation of the dependent variable – the development of the industries. The finding shows that the selected factors have contributed significantly in the explanation of the development of the industries. The findings imply that it is imperative to consider and understand the local resources, skills, attitudes and aspirations in any government efforts to foster the development of these handicraft industries.

Rajesh K. Singh, et al (2010)\textsuperscript{58} examined the various issues in the context of Indian SSIs such as the nature of the pressures and constraints, competitive priorities, competency development, areas of investment, and their relationship with performance. For collecting data, a questionnaire-based survey was conducted. In total, 75 valid responses were received. Statistical analysis of data acquired from the survey is done with reliability test, t-test, and correlation analysis. The result of the study indicates that the cost reduction, quality


improvement, and delivery in time have emerged as major challenges for SSIs. Market research, welfare of employees, and research and development are found as major areas for investment. Use of information technology, training of employees, and research and development has a significant relationship with performance.

Jaloni Pansiri, et al (2010) examined perceived critical success factors (CSFs) affecting the performance of small to medium-sized enterprises (SMEs) and their relationship with firm characteristics. The study also seeks to investigate the interdependence relationship among the perceived CSFs themselves using correlation coefficients. This study is part of a wider study that was designed to investigate the perceived critical success/failure factors (PCSFs) affecting the development of SMEs. The study is based on a review of the literature, which provided a theoretical understanding of both CSFs and firm characteristics. This theoretical linkage was then tested using primary data that were collected through a two-page questionnaire survey of 203 SMEs randomly selected from three cities in the Republic of Botswana. Principal component analysis (PCA) with Varimax rotation was used to reduce the data. Analysis of variance (ANOVA) was conducted to test the relationship between firm characteristics and perceived impacts of selected CSFs, and correlations were used to assess the relationships between the CSFs. The study identifies ten sets of perceived CSFs affecting the performance of SMEs; statistically significant relationships between the perceived impact of selected CSFs and firm-specific variables, indicating that the perceived impact of CSFs vary from firm to firm

depending on their size, age, industry, and management profile; and statistically significant relationships among the selected CSFs themselves.

Pawan Kumar Dhiman (2011)\(^6^0\) find out the status of agro based units such as rice mill industry in the Patiala district of Punjab and to analyze the various problems being faced by them. It has been found that Rice mill industry in Patiala district is in the crisis and facing the various problems regarding lack of financial assistance, improper marketing channel, high degree of breakdown of finished products and non availability of research lab for quality control. However, if this sector will be properly developed, it can make state Punjab a major player at the global level for marketing and supply of processed food for billion plus mouths to feed.

Brinda Kalyani, et al (2011)\(^6^1\) conducted a study to analyze, what exactly motivate women entrepreneurs to get into small and medium scale entrepreneurial ventures. Relating entrepreneurship with educational institutions, it is hypothesized in this study that the identification of motivational factors among women may support educational institutions to tailor made their entrepreneurial program in tune with appropriate pedagogy and approach. In order to conduct the study SIDCO Industrial Estates in Madurai Region is selected since it is populated with several small and medium scale enterprises. The respondents were the entrepreneurs who run small-scale industrial units of SIDCO Industrial Estate. Out of a total population of 432, 144 small scale entrepreneurs have been taken as sample size. The data collected were analyzed

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on the basis of Descriptive Statistics, Correlation, Regression and Kruskal Wallis Test. The findings of this study show the major factors which influence the motivation of women entrepreneurs in small and medium scale enterprises and its close relationship with the entrepreneurial factors. The study also suggests some measure for the educational institutions in order to make its pedagogy support their entrepreneurial development efforts of the country.

Santosh Kr. Pandey (2011)\textsuperscript{62} analyzed the impact of globalization on Indian Small Scale Industries. The main theme of the study is to evaluate the performance of SSI, before and after liberalization and compare them with average annual growth rates, to know their impact of Globalization on the performance of SSI. The period of the study is 1973-2007 and based on secondary information. The result of the study revealed that the average invested capital in these industries reached 4.8\% of the total invested capital in all industries, during the period 1990-2006. Also, the SSI provided 22\% of the total job opportunities and contributed in achieving nearly 8.5\% of the total value added. Lastly, their share of the total sales in the industrial sector was 4.8\%, and most of the sales were in the domestic market. Despite the positive effects of the SSI in the Jordanian economy, the SSI still suffers from many weaknesses such as low average employment of women. The percentage of women working in the SSI was only 1.7\%. Also, the percentage of foreign labor in the SSI is relatively high. The financial institutions are characterized by their widespread. There are 17 banks providing finance for this category of industry and more than 24 programs have been accredited. Some programs are oriented towards a specific

age category such as youths, and some institutional activities are exclusively for specific district or specific geographic regions.

**Rupali Jitendra Khaire (2011)** analyzed of statutory policy for women empowerment and its impact on women entrepreneurship. The women entrepreneurs are studied in the policy implementation point of view only the other aspects like psychology, behavior of the women entrepreneurship are out of the scope of the present study. The researcher has mentioned the need of training as well as financial assistance to the women entrepreneurs can motivate Indian women to hold a lions share in the GDP of the country. The literature regarding the entrepreneurial ventures by the women leads to conclude that the state is the major player in the development of the entrepreneurs and other aspect of entrepreneurship in women can also be studied and a research can be pursued.

**Jayshri J Kadam, et al (2011)** attempt to understand various financial techniques to help the entrepreneurs to avoid the situation of industrial sickness. For entrepreneurs, small business financial management is a vital aspect of growing a profitable company. Implementing sound economic principles and keeping a close watch on cash flow will help lay a solid financial foundation for the new venture. Monetary policies and procedures for effective cash management need to be part of the entrepreneur's business plan. Though it may be more exciting for the entrepreneur to dream about the actual services or products that the company will provide, a business cannot thrive, and may not survive, if the financing aspects are left to chance. In order to arrest sickness at

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the incipient stage banks and financial institutions should periodically review the accounts of the small scale industries borrowers to identify units which are becoming sick or are prone to sickness. The Government of India and the RBI should be requested to direct commercial banks and financial institutions to provide information on sickness to the agencies like BIFR implementing the rehabilitation programme to facilitate them to take up appropriate action. It is also suggested that the Government should conduct special EDP’s for training the entrepreneurs in financial aspects.

**Vetrivel, K., et al (2011)** in their study, after briefly presenting the current industry situation in India and Tamil Nadu, analyses the growth and structural changes experienced and the problems faced by the selected small scale units (SSUs) in Tiruchirapalli Taluk, one of the industrially prosperous talks in Tamil Nadu state. It is found that the overall policy and physical environment has been utilized by the entrepreneurs to maximize the benefits. However, it is noticed that due to various reasons some units could flourish while others could not. Hence, it is ultimately concluded from the analysis that, in spite of all the external factors, the individual factors do play more important role in the expansion of the industrial activities.

**Deepmala Baghel, et al (2011)** presents five case studies of innovation practices by MSME entrepreneurs in the cosmetics industry in India. In an industry highly conscious of the brand, five enterprises selected for the study are shown to have successfully adopted the products, interfaced with the government

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labs for product testing, marketed the products through the Internet, and have operated successfully with informed users of these products such as beauty parlors and the like. The cases highlight the problems and possibilities of innovative behavior in MSMEs.

Robil Sahni, et al (2011) explored the relationship between the prevalence of micro, small, and medium enterprises and economic growth. It is the first empirical study to examine cross-country evidence at the level of micro enterprises using an updated and expanded database on formal manufacturing firms. The study finds no evidence at the micro and small enterprise level of a positive association between ME prevalence and economic growth. At the level of medium firms (with 250 employees or fewer) there is some sustained evidence of a positive, causal relationship that is distinguishable from a chance pattern during the 1997 to 2005 time period. In sum, the evidence in this cross-country setting provides very limited support for a direct, causal relationship between MEs or SMEs and economic growth. This is not to say, however, that MEs and SMEs are without benefit to the economic development of a country.

Sardar Gugloth, et al (2011) pointed out that the Micro, Small and Medium Enterprises have been recognized as the backbone of the Nation’s economy. The growth and performance of these MSMEs largely depend upon their long-term marketing strategies that creates and retains a satisfied customer through the process of value addition. Further, the MSMEs in Andhra Pradesh require aiming at customer’s satisfaction in their strategies to avail long-term

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viability and competency. This sector is rife with problems like shortage of electricity and development of basic infrastructure along with problems related to marketing. In order to solve these problems and develop the MSMEs, major efforts have been done in the eleventh five year plan (2007-2012). The problems of entrepreneurs are multidimensional. These can be solved by the coordinate efforts of entrepreneurs, coordinate functioning of promotional agencies, and government assistance without red tape.

Arjun Kumar. S.N. (2012)\textsuperscript{69} covers the socio-economic conditions, marketing strategies of SSIs and identifies the marketing problems of SSIs. The aim of his study is to generate the awareness to the SSIs regarding the blind spots in marketing of their products. The result of the study of the study indicates that 76 per cent of the sample small scale units are facing marketing problems. Analysis and interpretation comprise of all the problems regarding Marketing Mix (4Ps). Market forces are governed generally by the criteria of efficiency, productivity and competitiveness and this is much more in the present era of liberalization and globalization. Performing the marketing functions satisfactorily and successfully in the global context is the major hurdle for SSI and their development.

Raj Kumar Gautam, et al (2012)\textsuperscript{70} studied the impact of liberalization on the Indian Small-Scale Industry in the leading industrial state of Punjab. The findings of the study indicate that small manufacturers are affected in the liberalized era and facing lot of problems to run their businesses. It has been observed that units from all surveyed industries irrespective of age and turnover

believed that liberalization has resulted in more competition, increased quality consciousness, difficulty in marketing, dumping of cheaper goods from other countries, reduction in profit margin and high level of customer satisfaction. But units from food products and beverages and leather and leather products believed that new opportunities have come up after liberalization. Units relating to higher turnover group also opined that liberalization have opened new opportunities for them. The main reasons of these problems are lack of infrastructural and operational facilities in comparison with large, medium and foreign companies. Small units are not using latest machinery to manufacturer quality product with the latest design as per international standards. There is the absence of clear policies relating to marketing and human resource management. Most of the units do not have separate marketing and human resource departments. Small manufacturers are unable to attract the professionals because of their financial limitations.

Ram Singh, et al (2012)\textsuperscript{71} analyzed the performance of Small scale industry in India and focus on policy changes which have opened new opportunities for this sector. Technology development and strengthening of financial infrastructure is needed to boost SSI and thus growth target can be achieved. The small scale industry in India has increased at the average annual increase of 3.79 lakh units and the average percentage of change in annual increase was 4.01 per cent. It indicates that SSI sector has made good progress as far as the number of SSI units concerned. Small scale industry in India has increased at a compound growth rate of 3.78 percent. The Study indicates that production at current prices have been increasing at 12.19 compound growth rate

which is really remarkable. In 2007-08 production were 624586 crore as compared to 78802 car production in 1990-91. It is revealed from data analysis that after economic reforms the number of units had increased but the production level is not increased according to the proportionate increase in the number of units during 1991-92 and 1992-93 periods. That the total number of the persons employed in this sector has gone up from 158.34 lakh persons in 1990-91 to 238.73 lakh persons in 2000-01 to 326.25 lakh persons in 2007-08. The study found that the employment patterns have been changed at a compound growth rate of 4.097. The annual increase in employment has come down during 1993-94, 1995-96, 1997-98, 2004-05 and 2007-08 as compared to previous years.

Ravi N. Kadam (2012)\textsuperscript{72} concludes that The Small Scale Industries contribute significantly to the balanced development of the country. The small scale industries generate more employment opportunities compared to large industries in terms of per unit of capital invested. After agriculture, small industries are the second largest employment providers in India. Finance is the key input for sustained growth of small scale sector and its accessibility continues to be a matter of concern. The small scale industries need both long run as well as short run credit. The financial management plays a vital role in the survival, growth and development of these industries. The government of India has implemented several schemes for improving SSI units. The SSI units must make use and take the advantages of available sources and helping hand of the government, improve themselves, try to meet the employment needs of the growing unemployed force and contribute to the nation by sustained growth.

Thus the financial management is the key strategy for the sustained growth of Small Scale Industries in India.

A.A.Mulimani, et al (2012) studied the SSI units and their problems and prospects. The researchers concluded that the vast technological change has brought some changes in the enhancement of the different form of SSI units. These are considered to be as basic economy of Goa. These SSI units have played an important role for not only promote the small industrial industries but also helps to improve the standard of the life of the people. The skilled laboures are emerging as a technical password and are responsible for utilization of resources to the maximum extent in an optimal level. It has been observed in the study region that the skilled labourers have replaced the technical laboures. The industrial policy 2003 is not oriented towards the prospering of such units due to the lack of geographical aspects.

Vipul Chalotra (2012) empirically examined customer satisfaction in the case of products manufactured by small scale industries. The hypotheses were examined by analyzing primary data collected from 368 customers using the products manufactured by small functional manufacturing unit sub-divided into ten lines of operation in district Udhampur, J&K State. The results of AVOVA revealed insignificant differences regarding customer satisfaction from different profession for three factors. Those belonging to different age group have the same level of satisfaction and those having different qualification do not differ with regard to their satisfaction for three factors. To nurture customer satisfaction

small scale industries should come up with regular advertisement, reputed brand, more products features and delighted after sale service.

**Nalla Bala Kalyan Kumar, et al (2012)** evaluated the presentation of MSMEs, before and after liberalization contrasts them with average annual growth rates, and know the impact of globalization on the performance of MSMEs and the development of MSMEs new opportunities for Employment in a country. The period of the study is 1999-2010 and based on secondary information. The MSMEs form a leading part of Indian industry and causal to a momentous proportion of production, exports and employments. The study analyzes the collision of globalization on Indian MSMEs. Government’s programmes are unstructured and indistinct, and fall short of delivering the intended outputs. This necessitates the enterprises to think strategically by focusing on major issues. The prime intent of the study of policy recommendations to ensure the sustenance and competitive growth of MSMEs in India. This study focuses on the ongoing changes in the business environment and the analysis of their suggestion for MSMEs. It further focuses on the implication of globalization and domestic economic liberalization for MSMEs and analyses its intensification performance. The MSMEs has emerged as the most dynamic sector of the Indian industrial economy.

**Sudha Venkatesh, et al (2012)** pointed out that the Small and Medium enterprises play a vital role in the Indian economic structure due to its significant contribution in terms of output, exports and employment. For a developing nation like India, where the labour is abundant and capital is scarce, the small sector is a

major source of employment for millions of people. Keeping in view the importance of SMEs, the Indian government has included this sector in its five-year plans. The SMEs is still hampered by the problems of finance, marketing and low quality. Taking into account the enormous potential of the small sector, the entrepreneurs and the policy-makers must act collectively to facilitate growth in this sector.

Sheetal1, et al (2012) addresses to integrate marketing strategies comprising marketing mix and marketing intelligence by SMEs and a survey on customers has been conducted to validate the marketing strategies. The survey logical view of the entrepreneurs and customers has been integrated through the existing theoretical framework. An empirical study conducted in small and medium enterprises in Hisar (India) enriches the information base and the government to boost the financial base because small scale industries are an integral part of the industrial background of the country and an employment generator segment of the economy. Furthermore the findings suggest that entrepreneurs should upgrade their information base to evoke stream of consciousness and tested through the exploratory factor analysis and one sample t-test. The research finding implies that there is a communication gap between consumers and entrepreneurs. The study yields the implication for the service provider.

Bashar Matarneh (2012) in his study 5 years data is undertaken from secondary sources. From this study, it has been found the working capital management is to decide the pattern of financing of the current assets, which is

one of the biggest problems of working capital management. The SSIs has to
decide about the sources of funds, which can be availed to make an investment in
the current assets. The problem of working capital management of small scale
industries is not new, it is prevailing in India. The SSI units are low capital base
where investment in fixed assets found to be less. Without the help of
government support and financial institutions co-operation, it is very difficult to
solve the problem of working capital management of SSIs of Rajasthan in
particular and of India in general.

B. S. Raw (2012)\textsuperscript{79} identified the status of the pharmaceutical industry
with more emphasis on smaller scale. Forty nine pharmaceutical industries were
pilot surveyed with a questionnaire and several issues relating to company
administration, regulatory, facility, SWOT were discussed. The survey gives a
clear indication that the small scale industry is struggling for existence even
though good quality products are manufactured. Necessity of small scale sector is
felt in terms of inducing competition to manufacture of good quality medicines
and availability of medicines at a reasonable price for the end user. The small
scale pharmaceutical sector is essential for economic growth, employment and
for fulfilling the local requirements at a cheaper price.

N.V. Poovendhiran, et al (2012)\textsuperscript{80} pointed out that the Government of
India, Micro, Small and Medium Industries (MSME) department has announced
a separate policy for Small Scale Industries (SSI) for enabling them to compete in
the global market. In the policy package, many incentives and concessions are
listed for the development of SSI. In the industrial policy, support and benefits of

\textsuperscript{79}B. S. Rau and Dr. J. Vijaya Ratna, “A Pilot Survey and Study of Status of Small Scale
\textsuperscript{80}N.V. Poovendhiran and G. Barani, “Factors Influencing the Extent of Utility of Industrial
Policy by Small Scale Entrepreneurs in Tamilnadu Study, India”, European Journal of Social
SSI entrepreneurs has a special focus. So, there is need to measure the factors determining the extent of usage of industrial policy by the SSI entrepreneurs. This study explores the factors ascertaining the extent of utility of SSI entrepreneurs with the help of Discriminant Function Analysis. Discriminate Function Analysis was applied to the two groups classified based on their utility of the SSI policy. The following factors significantly discriminate the two user groups. They are educational qualification, age of the enterprise and nature of business.

Ruby S Chanda (2013)\(^81\) pointed out that worldwide, the micro, small and medium enterprises (MSMEs) has been accepted as the engine of economic growth. In India too, the MSMEs play a pivotal role in the overall industrial economy of the country. The sector accounts for about 39% of the manufacturing output and around 33% of the total export of the country. MSMEs in India suffer from the problems and require a well-thought CRM strategy and technology to improve its efficiency, reduce costs and increase profitability. The study aims at highlighting the importance of CRM and major problems in adopting and implementing the same in MSMEs.

Guruprasad Ganeshkar, et al (2013)\(^82\) pointed out that being one of the major growth drivers of the economy, SSI sector is labor intensive providing and generating employment and income to a country, have been recognized as an engine of economic growth worldwide. SSI sector not only generate the highest per capita, they also go a long way in checking rural-urban migration. Its growth can be recognized by the increase or growth in its number of units, production,

\(^81\) Ruby S Chanda, “CRM Issues in MSMEs” Tenth AIMS International Conference on Management January 6-9, pp. 267-277, 2013
employment and exports in the country. This sector has become a major means of rural development in India. This study is based on secondary data and it mainly tries to analyze and study broad trends of SSI sector like, its structure, growth pattern related to its number of units, the level of investment, employment etc. at pre and post globalization levels and disparities in growth of SSI in North and South Karnataka. With this an attempt is made to find some general solutions for the problems of disparities in the growth of SSI's development in south and north Karnataka.

From a close scrutiny of the literature it appears that no such systematic and significant study has been attempted on the production and marketing of product produced by the micro enterprises. The present study, “A study on production and marketing of micro enterprises in Tiruvarur district of Tamilnadu with special reference to food products” attempts to fill this research gap. This study differs from other previous studies in the literature in that it analyses production, marketing, retailer opinion about the product produced by the micro enterprises. The customer satisfaction factors such as product features, product quality, product price, product packaging, services, brand and promotion. The study provides new and empirical insight into the ongoing debate on the importance of product of the micro enterprises. It is expected that the findings of this research work have practical utility to the manufacturers of small brands especially in the global competitive scenario.