

## GROWTH AND DEVELOPMENT OF MSMEs IN INDIA: REVIEW OF LITERATURE

Dr. Nilam Panchal

B.K. School of Business Management, Gujarat University

### ABSTRACT

Small and medium scale enterprises are the back born of the economy in developed and undeveloped countries. The literature extracts worldwide publications by many social organizations and rank journal articles on SMEs and SME development sector for sustainable performance. This paper examines all recent facts of SMEs considering different factors including definitions, global opportunities, Innovation and R&D, Internationalization, Failures & Constraints of the SMEs. The review analyzed reports and research articles published from 2000 to 2016 on SMEs and SME development. SMEs consist of manufacturing, services, agriculture, mining etc. as main segments. The review focused on social, technological and economic developments of small and medium-size manufacturing industries in the world highlighting the similarities and differences. The review finding contributes to updating the current stock of knowledge on SMEs development and prevailing constraints to improve their sustainable development. The study explored on current trends in cross-border marketing through internationalization and competitive advantages to be in the competitive market.

**KEY WORDS** : MSMEs, Internationalization

### INTRODUCTION

Small and medium enterprises are critical for a country's economic welfare and social development. The plethora of government policies and programmes for the encouragement of SMEs underline their significance for national development. SMEs also play a major role in sustaining home country businesses in the face of pressure from the foreign firms entering the home market (Pollard, 2001). In the Indian context, small and medium enterprise sector has made a phenomenal contribution to the Indian economy. It comprises around 13million units, employing about 41million people, having an approximate share of 45% of manufacturing output and 40% of exports and contributing almost 8-9% of GDP (MSME Overview, 2007). The study of SMEs in general has received the attention of academicians but their role in emerging economies has yet to be actively explored. Moreover, the

internationalization process of SMEs demands more empirical evidence as they continue to expand overseas since the commencement of transformation process (Glas, 1999).

In many countries, although only a small proportion of their SMEs set up subsidiaries and branches overseas yet outward FDI is a better method for firm growth (OECD, 2005). SMEs invest abroad either in green field projects or through mergers and acquisitions. Through the latter route, firms gain immediate market access, established market presence, knowledgeable management team/technical expertise, wide customer base and location based advantages. These benefits outweigh the costs which pertain to integration issues and resource limitations (Wilson, 2007). Amongst the three schools of SME internationalization-stage model, network view, and FDI school-stage model has been the most used followed by network school and then FDI (Coviello and McAuley, 1999). There has been a relative absence of an FDI approach to study firm internationalization (Pollard, 2001). Although SMEs generally invest with partners in home and /or host country in order to mitigate the risks and costs associated with FDI, wholly owned subsidiary/branches is the most acceptable route of foreign entry (Fujita, 1995).

McDougall and Oviatt (1996) noted that firms that had increased international sales exhibited superior performance. Further, Bloodgood (1996) found that internationalization was fairly associated with ventures that reported higher profits. Burgel (2001) detected that firms with international operations reported higher productivity and sales growth but not employment growth. These three studies focused on internationalizing firms engaged in new technology-based sectors like the software firms which concluded with an assessment of challenges and opportunities of SMEs for future expansion. They highlighted that the International Co-operation (IC), if sought for modernization, technology up-gradation and enhancement of competitiveness of Indian SMEs successfully, the day shall surely come when desired GDP will be achieved and India will become a Formidable Nation in the world, with pride. Regarding SMEs located in the UK involved in different manufacturing, and service activities, West head et al. (2001) detected that the inclination to internationalize was marginally linked with superior performance relative to competing firms and it also did not encourage subsequent sales and employment growth, or firm survival, significantly. The studies reviewed suggest that the relationship between internationalization and SME performance may be context specific (i.e. country, industry and region).

Lu and Beamish (2001) have demonstrated that FDI activity initially led to decline in profitability, but later with greater levels of FDI profitability increased. Further the relationship between internationalization and firm performance is moderated by other strategic variables like the choice of foreign markets. Further, Lu and Beamish (2001) discovered that level of exports influenced the

relationship FDI had with firm performance. They detected that high exports concurrent with high FDI was less profitable than one that involved lower exports with high FDI levels. Finally, there is selection bias in the studies which exclude non-internationalizing firms. The reviewed evidence fails to suggest that internationalization consistently enhances the performance of SMEs.

De Chiara and Minguzzi (2002) discuss the impact of globalisation in Italy, where tomato growers were able to make use of the country's comparative advantage (suitable weather and cheap labour at the country and industry level) to be successful. At the other end of the spectrum, clothing manufacturers were able to hold a competitive advantage (at the firm level) by selling high fashion, high cost garments (De Chiara and Minguzzi, 2002). Such a difference in advantages shows how it is possible for entrepreneurs to make use of either comparative or competitive advantage.

The European Commission's European Network for SME Research (ENSR) survey conducted in 2003 identified the most frequently cited barrier by SMEs as the high cost of the internationalization process (European Commission, 2004). Such costs include costs linked with doing market analysis abroad, paying for legal consulting services, translation of documents, adaptation of products to foreign markets, and travel expenses, and higher business and financial risk incurred. Many barriers to SME internationalization originate in the national economy, institutions, and general infrastructure - related to issues of competition policy, legislative and regulatory frameworks, research and education policy (OECD, 2005). Other challenges include standards and international compatibility issues, intellectual property protection, political risks, corruption and rule of law issues. Other perceived and real challenges include heightened international competition from foreign firms. Many internal challenges also create barriers. According to the ENSR(2003) study, a major problem is the lack of a clear strategy in the initial stages of the business formation. Other issues mentioned in the ENSR study included the lack of knowledge regarding international operations, identification of partners and assessment of market potential.

Kuivalainen (2003) views firms as repositories of knowledge, and Miller and Shamsie (1996) observe that, in increasingly unstable environment, knowledge-based resources contribute most to firms' performance. Kuivalainen (2003), Kuivalainen and Bell (2004) also view that the entrepreneur(s) is the catalyst for new resources, capabilities and knowledge. Knowledge Based Resources (KBV) does not focus on resources per se but on the evolving internationally acquired routines and capabilities (Kuivalainen, 2003; Kuivalainen and Bell, 2004). However, as this approach is relatively new, and there is little empirical support in existence, their study investigated these issues by focusing on capabilities of SME management/CEO and their impact on firm performance. The Knowledge based view (KBV) of the firm has emerged as an extension to RBV(Resource Based View). According to

Kuivalainen (2003), KBV accepts much of the contention of RBV and also emphasizes the process of evolution of specific capabilities. The idea of the evolution of resources, capabilities and knowledge emerges from evolutionary economics (Nelson and Winter, 1982; Foss and Eriksen, 1995), in which learning is central to superior performance (Teece et al., 1997).

Muhammad Suhail Nazar, Amna Noor, Sara Zafar, Faiz M. Shaikh (2003) investigated the Globalization Economic Crisis and its impact on SMEs sector in Pakistan. The main objectives of this research were to provide detailed overview of Globalization economic crisis and SMEs sector by using the General Equilibrium Model. Data were collected from 400 SMEs from four provinces by using simple random sampling method. The Global trade analysis Purdue (GTAP) model is used to analyze the possible impact of Globalization on Pakistan's economy in single -country, single sector applied General Equilibrium frame work. It was revealed that from last two year globalization and economic recession has negative impact on the SMEs sector in Pakistan. After employing the simplified static analysis framework based on simulations reveal that Globalization Economic recession have influenced negatively on the economy of Pakistan

Ashish Hajela & Prof. M. Akbar (2005), analyzed that emergence of multinational firms has been a distinct feature of globalization in the developing countries. Many of the emerging multinational firms are small and medium enterprises (SME). The paper empirically studies the impact of internationalization on the performance of SMEs, which have invested overseas. The paper also explores the effect of marketing, firm size, and managerial orientation on firm performance. Based on panel data for 29 software SMEs in India for the period 2002 to 2008, the paper finds a positive correlation between internationalization and firm performance. With its theoretical foundations in Resource based view (RBV) and Knowledge based view (KBV), the paper discovers that marketing has weak predictive power of the firm performance. The size and age of the firm are not found adequate predictors of firm performance.

Lorna Uden (2004), examined issues, ideas and innovations required by SMEs specially in ICT sector. The paper examined the benefits of E-business and issues before SMEs to embrace ICT sector. The article based upon the study of organizations, gave new suggestions and for the improvement of position of SMEs which include networking, internationalization, virtual entrepreneurship, government measures, SME development agents, Integration and automation of supply chain etc.

Elizabeth Asiedu and James A. Freeman (2006), examined the effect of globalization on firm performance by the analysis focus on the *within-industry* effect of globalization i.e., the extent to which globalization in the industry in which a firm operates affects the firm's performance. They considered the literature which suggests that the effect of globalization on firm performance

depends on firm size (e.g., Mei Hsu and Been-Lon Chen 2000). As pointed out by Baggs (2005), however, a lack of data has resulted in small firms being understudied. The analysis extends literature in three important ways: (a) Analyzes the effect of globalization on small firms; (b) Examine the effect of trade as well as FDI on firm performance; and (c) Examine the within-region effect of globalization—i.e., the extent to which the level of globalization in the region in which a firm operates affects performance. The result showed that minority-owned firms lack access to mainstream markets and therefore are unable to establish linkages with MNCs.

Tanay Nandi, Satabdee Mohanty (2010), presented a thorough analysis of firms after an up-close scrutiny of small and medium enterprises and their prominent role in the global marketplace. They studied the various theoretical and practical approaches to the topic of Small Medium Enterprise and their globalization on a worldwide front to understand the concept of internationalization of entrepreneurial enterprises and firms in the context of SMEs – to project the worldwide attention drawn towards the growing role of SMEs in the global marketplace and their valuable contribution to international global markets. The paper elucidates upon the consequences that accrue from firms entering foreign markets at inception and their survival in the international market when the transition from domestic to international market takes place.

Khizrasabdar Khan (2011) , investigated the importance of SMEs being an important source of providing employment opportunities. Primary data collected from a survey of 826 small industrial units is being utilized to empirically test the important determinants of firm growth. Binomial distribution is employed to find out the role of firm-specific factors along with owner/manager characteristics, organizational and commercial capabilities as important determinants of employment generation. Different problems and obstacles encountered by SMEs in generating employment activities are also been undertaken in their analysis. Firm age, education of owner, boss attitude, family business, networks, new process, major improvements, market share, on job training and unique know how are found to be significantly and positively increases the probability of firm growth. Age of owner, foreign trade regulations, taxes, other regulations, political instability, inflation and lacking of skilled labor adversely reduces the probability of firm growth in terms of employment opportunities. Government should device such policy measures that can help small units to grow and provide employment opportunities.

Rajesh Mishra and P.K.Jain (2012), examined the impact of globalization in boosting up of SMEs in state of Punjab with an assessment of challenges and opportunities of SMEs for future expansion. He concluded that International Co-operation (IC), if sought for modernization, technology up-gradation and enhancement of competitiveness of Indian SMEs successfully, the day shall surely come when

desired GDP will be achieved and India will become a Formidable Nation in the world, with pride. In developing and emerging economies, SMEs played an important role as being the primary source of employment and generate revenue and export (*Rajshekhhar (Raj) G. Javalgi, Patricia R. Todd, JBR-2011*). The researched extended to relationships surrounded the globalisation of SMEs in India and their entrepreneurial behaviour, commitment to globalisation and firm resources. The analysis was made based on the data collected from 150 SMEs. The research concluded that the success reasons of internationalisation were commitment, entrepreneurial orientation and ability to use human capital at best.

MSME contributed around 90 % industrial growth and 50% of the employment globally (*Shripad Marathe, IJA-2016*). The research focused on performance of MSME and compared it to financial crisis of 2007-08. MSME sector has contributed for the 21 % employment for India. The research used structural break modal chow chest and graphical representation. The results showed MSME had been affected by financial crisis as well as MSME had helped in economic development of India. The growth of country is based on growth of it's economy which is displayed by the growth and development of industries of the country (*Ms. Heena Upadhyay, Dr. Vivek Singh Kushwaha, IBME, July 2016*). The research focused on finding future trends and understanding the present status of MSME.

Ishu Garg, Suraj Walia (2012) included that the Micro, Small and Medium endeavours MSMEs have been expecting an earth shattering employment in as a rule financial enhancement of a country like India and can be named as the 'engine of advancement' and considered as the guide for a country where countless are jobless or underemployed and standing up to the issues of desperation by giving brief broad scale work, with cut down cost of capital and wind up being a second greatest work business by cultivating fragment.

MSME (Micro, Small and Medium Enterprises) being the core of Indian Industrial Sector (*MrsAshuKatyal ,Mrs Betsy Xaviour, 2015*). Their role particularly to a developing country like India is very identifiable. Their role is not only up to generating jobs but also till reassuring low skilled level labors to start as entrepreneur level in countryside areas. Economic Times in June 2013 said, MSMEs employ almost 40% of India's jobs. This led to Manufacturing industry output at 45% and EOUs which near about 40% of total by MSMEs.

It was found that the Micro, Small and Medium Enterprises (MSME) sector has been emerged as engine of growth for Indian economy (*Dr. M.S. Vasu Dr. K. Jayachandra 2014*). The sector plays a contributes to the balanced and inclusive growth, equitable distribution of national income and

regional dispersal of enterprises by way of mobilization of capital and developing entrepreneurial skills.

*Dr. Sanjeeb Kumar Dey (2014)* stated was discovered the criticalness of MSME in modern era in both creating and creating nations for its essential commitment in satisfying different financial targets, for example, vast scale work, advancement of fares and enterprise improvement, expanded mechanical. At the same time he likewise broke down that eventually, it is the MSME segment which can help achieve the objective of proposed National Manufacturing Policy of raising the commitment of assembling part in GDP from 16% at present to 25% before the finish of 2022.

*Ishu Garg, Suraj Walia (2012)* featured that the Micro, Small and Medium undertakings MSMEs have been assuming a ground-breaking job in generally speaking monetary improvement of a nation like India and can be named as the 'motor of development' and considered as the aid for a nation where a huge number of individuals are jobless or underemployed and confronting the issues of destitution by giving prompt expansive scale work, with bring down expense of capital and end up being a second biggest labour business by farming segment.

The auto subordinate industry in India has seen enormous limit extension and modernization because of section of remote vehicle makers in the post advancement period (*G. Kannabiran, P. Dharmalingam, JEIM-2012*). So as to recognize and assess the empowering agents and inhibitors, a point by point study was done among enrolled Indian auto subordinate SMEs amid 2010. In spite of the positive outside IT condition and acknowledgment of advantages, propelled IT appropriation by SMEs in the auto ancillaries is constrained by absence of monetary abilities and in-house IT HR.

The inspiration driving the study was to take a gander at the odds and perils looked by privately-owned companies (FBs) from globalization in a making country condition and how those associations responded purposely to these parts (*Mohamed Zain, Norizan M. Kassim, JFBM, 2012*). The focal indicative framework used was essential condition showing. The results exhibited that the availability of chances rising up out of globalization was apparently more basic to FBs than the perils that they may look due to globalization. the openness of the wellsprings of advantages not simply impacts the associations' status to go up against the forces of globalization it also impacts them to figure new methods to face such powers.

The paper explored SMEs' reactions to the difficulties presented by the new economy, i.e. the joint activity of the expanding globalization and the dissemination of ICTs (*Lucia Piscitello, and Francesca Sgobbi, C&C, 2013*) The present paper gives exact proof on these issues by dissecting the conduct of 277 SMEs situated in two of the biggest Italian modern regions. The exact discoveries (I) demonstrate the presence of separated standards of conduct in drawing nearer ICTs and e-business

applications; (ii) recommend that, at the firm dimension, the demeanour towards ICTs and e-business mirrors the organization methodology in confronting worldwide rivalry.

The research examined the focused needs and assembling vital choices of little and medium endeavours (SME) in Taiwan (*Wen-Hsien Chen, APJM, 1999*). The strategy for case study is utilized to tap 33 distributed case provides details regarding SMEs' activities. It is uncovered that quality is seen the most imperative among the seven focused needs, i.e. quality, reliability, cost, adaptability, advancement, administration, and time. The general significance of the ten vital choices is found in the accompanying succession: item advancement, workforce, association, control framework, innovation, quality program, offices, vertical incorporation, limit, execution estimation. Administrative ramifications drawn from the exploration discoveries are examined. Perceptions about the proprietors of SMEs are additionally informed.

The paper investigated how SMEs situated in modern areas investigate e-business as a way to confront the difficulties presented by glottalization (*Lucia Piscitello, and Francesca Sgobbi, SBE, 2004*). By turning to contextual investigations directed in the material area of Prato, the exploration confirms the uplifting frame of mind of the talked with business people towards e-business. Be that as it may, the qualities of the thought about items (materials) and the locale structure emphatically influence the way pursued to investigate the situations opened by e-business. The gathered proof recommends that just couple of firms in the locale are effectively seeking after the full scope of chances given by e-business, and that disengaged activities are insufficient to encourage aggregate learning and development forms including the entire region.

The paper researches SMEs' reactions to the difficulties presented by the new economy, i.e. the joint activity of the expanding globalization and the dispersion of ICTs (*Lucia Piscitello, and Francesca Sgobbi, SBE, 2003*). Without a doubt, while from one viewpoint the new economy may debilitate the conventional deterrents to the change of SMEs into worldwide players, on the other, it might likewise stand up to SMEs with new impediments and dangers. The present paper focused on these issues by dissecting the conduct of 277 SMEs situated in two of the biggest Italian modern regions. The exact discoveries (I) demonstrate the presence of separated personal conduct standards in drawing nearer ICTs and e-business applications; (ii) recommend that, at the firm dimension, the mentality towards ICTs and e-business mirrors the organization methodology in confronting worldwide rivalry.

The reason for this paper was, first, to analyse the variables that block SMEs in their internationalization procedure (*Fariza Hashim, WJEMSD, 2015*) This investigation is illustrative in nature. This examination is engaging in nature. A meta-investigation method was utilized in this



examination where results from past and current investigations on comparative subjects were fundamentally evaluated. This investigation found that Malaysian SMEs confronted outer and inner obstacles in their endeavours of growing their activities globally. Remotely there is an absence of talented specialists accessible in the residential work advertise. In spite of the hindrances experienced by SMEs, despite everything they acquired advantages from different strategies, projects and impetuses given by the administration.

The reason for the paper was to examine entrepreneurship outline (EO) as an indicator of internationalization of small- and medium-sized enterprises (SMEs) (*Mohammed Ngoma, Abaho Ernest, SudiNangoli, Kusemererwa Christopher, WJEMSD, 2016*). The investigation embraced a cross-sectional study to gather information from 282 SMEs, with the utilization of a multi-dimensional self-regulated poll. The examination set up a noteworthy connection between the components of EO and internationalization of SMEs. The paper delineates how EO measurements can impact a business person's choice to go global particularly taking care of the procedure of internationalization and its elements.

With a noteworthy history of little firm improvement approach, in post-Independence India SMEs rule the mechanical situation through its commitment to age of business and salary as additionally handling the issue of territorial inconsistencies (*Keshab Das, ERIA, 2007*). An examination of the execution of the little endeavours has been endeavoured here, underscoring the unremarkable execution and piece of Exports and the across the board endeavours at SME group advancement without a sound local improvement point of view. A case for appropriate usage and following up of various plans has been made, as additionally to create strategy delicate database for both SMEs and also bunches. The test to strategy lies in wide basing advantages to SMEs crosswise over space and part and furthermore keeping the nice work age job of SMEs in core interest.

Study looks at the difficulties and prospects of MSMEs advancement in India (*Ram Murti, IJIFR, 2013*). On account of MSMEs, the absence of mindfulness, introduction and openings produces numerous issues to the business visionaries. Consequently, miniaturized scale level arranging is extremely fundamental to enhance the execution of MSMEs and the way of life of the MSME business visionaries. Study starts with a review of this division in India and take a gander at some ongoing patterns which feature the improvement and centrality of this area opposite the Indian economy. Than study have given the measurable information around couple of earlier years status of MSME concerning Indian Scenarios. Moreover, MSMEs can complete an effect evaluation of explicit government approach mediations on the development of business enterprise in the MSME part in India. The strategies of intrigue are state expenses and appropriations focused towards this

part. All the more explicitly, study examined the effect of all out money related sponsorships to the segment, complete state interest in mechanical stops and bunches went for this part and the all out state consumption to help innovation inside the MSME division. At long last, this paper gives suggestions to the extemporization by the administration facilitator job for access fund with empowering more banks and other budgetary foundations. The outcomes additionally recommend the center skill of the administration in specific jobs by making an encouraging condition for the giving invaluable circumstance in present day period to these MSMEs.

This paper tries to research whether age is a crucial normal for the connections among determinants and development (*Paulo Maças Nunes, Marco Gonçalves, Zélia Serrasqu, JSTOR, 2013*). The exact proof acquired enables us to presume that: (1 ) age and size are prohibitive elements of the development of youthful SMEs, however they are not imperative for the development of old SMEs; (2) income and obligation are of more noteworthy relative significance for development in youthful SMEs than for development in old SMEs; (3) R&D power and work efficiency are of more prominent relative significance for development in old SMEs than for development in youthful SMEs; (4) enthusiasm on obligation is of more prominent relative significance for lessened development in youthful SMEs than for reduced development in old SMEs; and (5) R&D force in circumstances of money related shortage is of more noteworthy relative significance for decreased development in youthful SMEs than for reduced development in old SMEs, yet just in setting of cutting edge SMEs.

Study utilized the ongoing budgetary emergency to examine financing imperatives of private SMEs in Belgium (*Veronique Vermoesen, Marc Deloof, Eddy Lavere, JSTOR, 2013*). Study estimate that SMEs with an expansive extent of long-haul obligation developing toward the beginning of the emergency experienced issues to re-establish their advances because of the negative credit supply stun, and subsequently could contribute less. Study locate a significant variety in the development structure of long-haul obligation. Firms which toward the beginning of the emergency had a bigger piece of their long-haul obligation developing inside the following year encountered a fundamentally bigger drop in interests in 2009. This impact is driven by firms which are ex risk bound to be monetarily obliged. Predictable with a causal impact of a credit supply stun to corporate ventures, we discover no impact in "placebo" periods without a negative credit supply shock.

Globalization and domestic monetary advancement have profoundly changed the financial condition for the tasks of SSI in India since 1991 (*Bala Subrahmanya Mungila Hillemane, IESD, 2014*). Expanded imports and FDI inflow in the local market, expanded fares in the worldwide market, enhanced execution of the open segment regardless of reduced space, de-reservation of the huge rundown of things saved for selective SSI producing speak to the major measurements of strategy related

advancements. thus, new difficulties just as circumstances have risen for Indian SSI. The execution of SSI has been assessed against this background.

Many developed and developing countries sought after a method for conventional difference in their economies from key (cultivating and related) to discretionary (industrial) and tertiary (services) in dynamic stages (*Report of the Working Group on 'Boosting India's Manufacturing Exports'*). The offer of the collecting section in GDP extended after some time and in the process the part acclimatized people moving from agriculture for better work prospects. In any case, by virtue of India the enhancement methodology appears to have evaded the second period of money related change (present day division improvement), moving explicitly to advancement in the organization's division. The offer of India's amassing section in her GDP has remained torpid at 15-17 percent. Gathering has not contributed noticeably to taking care of the issue of joblessness and underemployment in the messy fragment.

In the post liberalisation time, the fare division of Indian economy has gained complete ground bringing about business age, accelerating the procedure of monetary improvement, bringing more up to date advances, incorporating Indian economy with worldwide economy when all is said in done and adding to nation outside trade saves specifically (*Export from West Bengal, Working Paper 48, EXIM Bank*). West Bengal is supplied with an unprecedented locational advantage as it isn't just the door to the whole north-eastern district of India, yet in addition can possibly go about as the rotate to the improvement of the eastern conditions of the nation. With rich horticultural land, hearty steel creating ability combined with crude material accessibility, and blasting IT industry, the State can possibly progress toward becoming as the fare centre of the eastern piece of the nation. This Strategy Paper illustrates and distinguishes enterprises which are generally solid in the State and which could be additionally reinforced, while tending to the difficulties. Making a hello their tech based electronic industry is likewise proposed given its overflows regarding positive activity creation, and a hunger for such items both in India and abroad

SMEs have a vital job in Indian assembling segment and have moved toward becoming motor of monetary development in India (*Manjit Kour, SSIJMAR, 2004*). Today, little and medium industry involves a place of key significance in the Indian monetary structure because of its critical commitment as far as yield, fares and work. The little scale industry represents 40% of gross modern esteem expansion and half of all out assembling trades. It is assessed that SMEs represent practically 90% of mechanical units in India and 40% of significant worth expansion in the assembling division. The present paper is an unobtrusive endeavour to comprehend idea of SMEs, their arrangement and essentialness in general development in India

MSME can be the spine for the current and future high development organizations with both local and outside organizations putting resources into the 'Make in India' activity and have critical effect in the region of indigenization (*The new wave of Indian MSME by KPMG, 2015*). 'Make in India with zero imperfection and zero impact', is a significant opportunity. The new wave MSME should empower the improvement of a business eco framework that empowers and persistently bolster business that are adapting to convey the correct item, the correct quality, the correct arrangement and the correct administration at a focused cost, both in residential and worldwide markets. The 'Advanced India' unrest additionally gives an incredible chance to advance MSME investment in the Information, Communication and Telecommunication (ICT) area, in accordance with the administration vision

Throughout the years Indian SME's have developed as a critical yet dynamic area of Indian economy (*Dr.O.M.Ashtankar, IMBRDJMR, 2013*). It represents about 95% of the engineering production, 40% of the Engineering Units, and 36% of the export and gives direct work to 18 million people in about 3.2 million enlisted SSI units in the nation. Today, showcase situation is changing very quickly over the globe and the equivalent is occurring in India moreover. In India the procedure of progression and WTO routine have tossed this modern division to the huge and mammoth worldwide organizations additionally representing certain difficulties. In the meantime, it has opened up the world market and the entrance to it is influenced conceivable to all to the organizations regardless of their status or position. Upgrading Global Competitiveness of these SME units holds the way to their future advancement. The fundamental survival measures/procedures for enhancing worldwide intensity is the territory of discourse of this paper.

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