

# A Study on Competitive Performance and Progress of Micro, Small and Medium Enterprises (MSMEs) in India

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## Abstract

The MSMEs have established an important fragment of the Indian economy as far as its contribution to the nation's industrial production, exports, employment and creation of a consumerist base. The government built up the service of Small Scale Industries and Agro and Rural Industries (SSI&ART) in October 1999 as the nodal service for the formulation of arrangements and programs, their accomplishment and related coordination, to supplement the endeavors of the states for promotion and development of this class of industries in India. MSME has been acknowledged as the Indian motor of economic development and for promoting evenhanded development. The Micro, Small and Medium Enterprises (MSMEs) are apropos viewed as the foundation of the Indian economy. The little scale part possesses a position of prominence in the Indian economy, adding to over half of the industrial production esteem accumulation terms. The segment represents 33% of the export income and employs the biggest workforce besides agribusiness. MSMEs are recognized as one important constituent of the national economies. The MSMEs ought to be urged to make an economic contribution to the national pay, employment and exports. SMEs territory major employment provider and contributor to GDP, they are troubled with the duty of employing while simultaneously encountering moderate moving development given partitioning horticulture segment and globalization. The MSME comprise over 90% of all out enterprises in the greater part of the economics and are credited with creating the most elevated paces of employment development and record for a significant offer industrial production and exports. In India, the MSMEs assume an indispensable job in the general industrial economy of the nation. It is evaluated that as far as worth, the area represents about 39% of the manufacturing yield and around 33% of the all-out exports of the nation. Further, in recent years the MSME Sector has consistently enrolled higher development pace of contrasted with the general industrial part. Hence, the present study has been focused on highlighting the statistical overview of the competitive performance and progress of Micro, Small and Medium Enterprises (MSMEs) in India.

**Keywords:** Competitiveness, Sustainable Growth, Progress, Sustainable Contribution, Industrial Economy, Industrial Production and Exports

## Introduction

The Micro, Small and Medium Enterprise (MSME) area establish an important fragment of the Indian economy as far as its contribution to the nation's industrial production, exports, employment and creation of consumerist base. Indian MSMEs represent the model of socio-economic approaches of Government, which emphasized work creation at all degrees of pay stratum and dissemination of economic power in the hands of not many, debilitating monopolistic acts of production and showcasing; and adding to the development of economy and remote trade winning with low import-escalated operations. Indian MSMEs likewise assume a critical job for nation development through high contribution to Domestic Production, Significant Export Earnings, Low Investment Requirements, Operational Flexibility, Location Wise Mobility, Low Intensive Imports, Capacities to Develop Appropriate Indigenous Technology, Import Substitution, Contribution towards Defense Production, Technology Oriented Industries,

Competitiveness in Domestic and Export Markets and Generate new entrepreneurs by providing information and preparing. Through experience and help originating from the money related institutions, the little and medium enterprises can contend in both the residential and international markets.

SMEs are the wellspring leader of a few innovations in manufacturing and service divisions, which assumes a significant job in the production network of corporate and the PSUs. SMEs are presently presented to more prominent opportunities than at any other time for extension and diversification over the divisions. The division is seen as the key push for the future and one of the best agents of development. The approach based changes, investments into the area, globalization, and India's development story have opened up a few latent business opportunities in the division. Because of a few key techniques by the Indian government for the part's intensity, quality overhauling, fund and innovation, there has been a sensational change in the area progressing in the production of straightforward shopper merchandise to the manufacturing of refined and accuracy products. MSME in India is viewed as important individuals inside the production network and are built up in practically all significant areas in Indian industry, for example, nourishment processing, rural information sources, synthetics and pharmaceuticals, building, for example, gadgets and electrical, electro-restorative equipment, materials and garments, cowhide and calfskin merchandise, meat products, bio-designing, sports merchandise, plastic products, PC programming, and so forth. India has more than 400 SME bunches and around 2000 craftsman groups that have made favorable ground for the development of between firm cooperation to promote nearby production, innovation and aggregate learning. It is assessed that these groups contribute 60% of the manufactured exports from India. The area has understood the requirement for ideal arrangements from the government, expanded credit stream and a requirement for mechanical and modernization activities. Indian MSMEs face immense competition from the outside organizations, both at the residential and international levels. There is a colossal market out there where many different nations, for example, China, Korea, Taiwan,

Thailand, and so on, are entrenched and their export share is a lot higher than India's MSME export share universally. As worldwide seriousness becomes escalated, MSMEs are transitioning to another business environment with the rise of worldwide inventory chains. MSMEs structure an essential piece of pretty much every worth chain and there is a cooperative relationship between the enormous corporations and their generally little estimated providers. As the serious weights of a free market are making up for the lost time in India, the local market is additionally overflowed with many minimal efforts, sensible quality, mass-produced products giving extreme competition to Indian MSMEs. With the opening up of the economy, this division needs to get up to speed with the worldwide measures of greatness to stay serious and profitable. To help the economy bring down the current exchange shortage and make it due in the worldwide commercial center, MSMEs need to skip back and make it in the type of innovation-mechanical, vital, monetary, human asset and rival the contenders of the rising scene. MSMEs from the perspective is less arranged to confront the difficulties presented by the export intensity or to abuse the opportunities presented. The present study has been framed to give statistical prove of the performance and progress of MSMEs in India.

### **Research Objectives**

The present study aimed with the following objectives:

1. To know about the progressive prospects of MSMEs in India.
2. To discuss the statistical points of the progress and performance of MSMEs in India over several years.
3. To narrate the competitive performance of MSMEs in India.

### **Operational Definitions**

MSME represents Micro, Small, and Medium Enterprises. As per the Micro, Small, and Medium Enterprises Development (MSMED) Act in 2006, the enterprises are characterized into two divisions. Manufacturing enterprises occupied with the manufacturing or production of products in any industry.

The Micro Small and Medium Enterprises (MSMEs) are characterized in India under the MSMED Act 2006 based on capital investment made in plant and hardware, barring investments in land and building.

### Reviews of Related Literature

**Subramanian et al. (2018)** has examined the importance of MSME has been recognized in recent years in both created and creating nations for its critical contribution in satisfying different socioeconomic destinations, for example, higher development of employment, yield, promotion of exports and cultivating entrepreneurship. They assume a critical job in the industrial development of any nation. The MSME part is an important mainstay of the Indian economy as it contributes incredibly to the development of the Indian economy. These segments even accept more noteworthy importance now as the nation moves towards a quicker and comprehensive development motivation. Also, it is the MSME segment that can help understand the objective of the proposed National Manufacturing Policy of raising the portion of the manufacturing area in GDP from 16% at present to 25% before the finish of 2022. The present paper is an attempt to center the present status of the performance of MSMEs in India and prospects. It is presumed that this area contributes fundamentally to manufacturing yield, employment, exports of the nation.

**Kumar, Vinay (2017)** has analyzed that the Micro, Small and medium enterprises of India is an important driving variable for the development of Indian Economy. These MSMEs provide employment opportunities as well as aides in the process of industrialization in rustic zones, at the same time decreasing the inconsistent pay distribution among the residents. The MSMEs contribute fundamentally in the development of the Indian economy through export production, household production, low investment requirements, operational adaptability and innovation oriented enterprises and so forth. SMEs are complimentary to huge industries working in the economy and contribute essentially to the development of the nation. On a normal, this part has very nearly 36 million units that employ around 80 million people. This division, through

the production of 6000 products, contributes 8% to the GDP of the nation. It comprises the 45% portion of the absolute manufacturing yield and 40% of the all-out exports of the nation. Along these lines, this paper has attempted to comprehend the job of MSMEs in providing employment opportunities and push towards the comprehensive development of the nation.

**Malali et al. (2015)** have examined that the MSMEs are today open to the elements of more noteworthy opportunities for spreading out and diversification over all the segments. The Indian market is mounting quickly and the Indian industry is making extraordinary progress in a blend of Industries like Manufacturing, Pharmaceuticals, Retail, IT, Agro and all other Service segments. MSME are finding expanding opportunities to improve their business exercises in foundation areas. Miniaturized scale, Small and medium enterprises (MSMEs) becoming the spine of the Indian economy. The segment is before shifted difficulties and doesn't ready to get the fundamental hold up from the Government Departments, Banks, Financial Institutions and Corporate, which are going to jump; however, it is to be the stepping stool on the development way of the MSMEs.

### Research Methodology

The present study entitled 'a study on competitive performance and progress of Micro, Small and Medium Enterprises (MSMEs) in India' is a study with descriptive nature. The data collected for the study were through secondary sources like previous related studies, official releases of Ministry of MSME, RBI and other reliable website resources.

### Progressive Prospects of MSMEs in India

The nation's open-door approach of globalization has brought exceptional competition for the MSMEs both in the local and abroad market and has made basic for the Indian MSMEs to beat the difficulties and improve themselves to support and contend all around by lower costs, improved quality, embracing different creative practices and up-gradation of innovation. The government needs to identify the push regions like innovation, human asset development, account, advertising, and

entrepreneurship development where the segment slacks when contrasted and its international rivals and make the MSMEs serious with the worldwide players and get by in the competition.

### **Finance**

Finance is one of the basic contributions to the promotion and development of a smaller scale and little enterprises. Presently around 4 million records are worked by MSMEs in India as the vast majority of the exporters of the area don't have a clue how to plan and present a credit application. Once in a while, they have insurance satisfactory to banks as protection from an advance. Government institutions like SIDBI should work right now to promote miniaturized scale funds by which they can continue in the market. The government ought to likewise concentrate on promoting the developing wellsprings of money like essential and secondary security advertise, venture capital, private value, outside business borrowings, considering services, and so on, particularly for the MSME division.

### **Government Support**

When there is a discussion competition at the worldwide level, exporters from nations like China outscore Indian exporters on account of better state-run plans like endowments, infrastructural offices, potential export customers and market help with outside business sectors, obligation disadvantage plans, and so forth. The government ought to likewise attempt to encourage such appealing sops to the exporters of the Indian MSME segment. Export Promotion Councils should come into action by fusing themselves for promoting exercises abroad with the exporting MSMEs. Since an enormous lump (aggregate in the event of export-oriented units) of MSMEs income generation is from exports and during the hours of worldwide stoppage and downturn, the segment ought to be given need and sharp attention by the government with the goal that the smaller scale and little enterprises stand firm during the hours of an emergency, as on account of China's state support which is intensely export-oriented.

### **Technology**

Technology and Innovation is one of the most important perspectives in the sustenance of MSMEs.

Enterprises with an overwhelming mixture of innovation are vastly improved adjusted to meet the business needs and contend in the local just as worldwide markets. The potential for Information and Communication Technologies (ICT) to convey proficiency gains is broadly acknowledged. While enormous firms are frequently at the cutting edge in recognizing and putting resources into IT advancements, little firms can be slower to make up for the lost time and welcome the advantages that these can convey. The adoption and utilization of Information and Communications Technology (ICT) are broadly observed as basic for the intensity of SMEs in the rising worldwide market. Appropriate ICT can help SMEs cut expenses by improving their interior processes, improving their product through quicker communication with their clients, and better promoting and circulating their products through online nearness. Appropriate information and communication innovation (ICT) intervention can assist them with staying in front of others, which have been the account of many fruitful MSMEs today.

### **Infrastructure**

The review study supports the way that the present Indian framework isn't sufficient when contrasted with other exporting MSMEs nations and is one of the significant reasons for Indian MSMEs' low offer in the international showcase. One important perspective which can extraordinarily help in building the seriousness and supportability is to build up the export bunches close to the ocean ports; the flawless model can be China. The transportation costs engaged with bringing the shipment to the ports can be limited, bringing about the bringing down of the product costs. The other fundamental problem, as uncovered by the exporters, is the force problem, which has insufficient supply and extravagant contrasted with other contending nations, particularly China. Intra and Inter-Firm Coordination: One important perspective which needs proper attention of the MSMEs for export seriousness is the intra and between firm coordination. Inside, the coordination procedures might resemble the proper representation of the cross-functional groups in the export cell so that the export goals can be conveyed to the next functional zones. Remotely, the export manufacturers

ought to convey different methodologies to facilitate exercises with the importers and outside merchants, so they know the objective of export deals, make adjustments according to the fluctuating demand and environmental conditions in the export showcase, and so on. The joined utilization of these systems can yield an unrivaled export performance of the MSMEs.

### ***Low Subsidies***

When contrasted with the other contending nations in the MSME situation, the Indian idea of the export appropriations is lower than their Chinese and Korean partner who brings about the low export volume. Obligation disadvantage plans to be made progressively alluring by the government as it becomes hard to contend particularly with Chinese exporters in light of their state support in verifying the prized low edge high volume purchasers.

### ***Human Resource/ Training and Development***

One very important viewpoint which needs proper attention of the government is the lack of a gifted workforce in the segment. Specific preparing foundations and centers for each bunch ought to be set-up under the supervision of the center. The foundations will produce a talented workforce on normal premise with an introduction to the most recent innovations in the segment. The absence of proper remuneration and proper motivational elements to talented people is one of the significant reasons for the lack of a gifted workforce in the MSME area. A proper remuneration plot with appealing incentive plans should be implemented so they will feel persuaded and work with full effectiveness. A sound HRIS ought to be created entailing all cutting edge HR works on remembering pay for the Indian MSMEs.

### ***Branding/IPRs***

A National Knowledge Commission of India study uncovers that 42% of huge firms and 17% of MSMEs have presented 'new to the world' innovations during the course implementation of IPRs among the MSMEs in India, particularly those which are innovation-driven. The MSMEs should go for selective IPRs if there were an occurrence of innovation, which will help them in adapting their innovations just as seriousness in the worldwide

market by building up their image portfolios. Maintainability is the need of great importance. The government ought to promote the adoption of atmosphere well disposed green innovations by the MSMEs, which is exceptionally acclaimed in the propelled markets. Decreasing the carbon emanations by the adoption of green innovation as a sign of supportability can serve as a promotional system as a large portion of the rising nations like China are centers of carbon outflows. Obligation towards environment and independence on vitality must be met by the MSME area. Manageability techniques make many synergistic impacts for SMEs working cooperatively, just as a fundamental advantage for the lodge. The different incentives for SMEs to advance manageability are:

1. Becoming an important reasonable investment focuses on bigger firms;
2. Creating exceptionally serious systems of reasonable SMEs in showcase spaces where huge enterprises are less fruitful;
3. Becoming profoundly efficient providers in worldwide stock chains through manageable practices.

The recent CSR activity by the government of obligatory 2% spends on CSR by organizations having 5000 million yearly turnovers can prove to be a solution for the restoration of MSMEs in their run for export seriousness. Activities took to restore the wiped out export units, redesigning the therapeutic and wellbeing offices for MSME laborers, setting up educational and preparing organizations for the laborers, increasing the HR expectations in the segment, and so on can assist the MSMEs with being progressively productive as far as export development.

### ***Liberalization***

The recent approval of the FDI in retail can be of essential importance to the MSME segment. Multinational retailers like Wal-Mart, Carrefour, IKEA and TESCO, and so forth, who are behemoths and money rich organizations, can prove to be potential purchasers for the MSMEs. The mandatory 30% sourcing proviso in the single-brand retail to be met by the retailers can be a generally excellent option for the area to prove their skill. The government ought to likewise, thus offer tax advantages to the

purchasers, so the general cost comes at standard with minimal effort providers like China. Whenever found appealing, these organizations can expand their sourcing percentage from Indian MSMEs, which can help the Indian MSMEs settle in the gigantic residential market against modest imports.

**Tie-up for Innovation**

Certain scholastic and specialized institutions show that world-class innovation can occur in an environment where the scholarly community and business team-up. A solid culture of communication between open and private colleges and the MSMEs can help course the hole among scholastics and industry, which is a basic component in releasing a nation’s innovation potential. MSMEs being the nation’s future will profoundly be profited as far as innovation and the R&D from the scholarly part tie-up, coming about in the recognition of the area all-inclusive and economic development. The scholastics like this will get an introduction to the industry and can set themselves up in a superior manner according to the industry requirements.

**Analysis on the Progress and Performance of MSMEs in India**

**Table 1: Statistical Analysis on the Comparison of MSME Sectors in India with Overall Industries over the years (Growth Rate in Percentage)**

Years	Growth Rate of MSME Sector	Growth Rate of Overall Industry Sector
2000-01	8	5
2001-02	6.1	2.7
2002-03	8.68	5.7
2003-04	9.64	7
2004-05	10.8	8.4
2005-06	12.32	8.2
2006-07	12.6	11.6
2007-08	13	8.5
2008-09	10.3	12.8
2009-10	6.7	10.4
2010-11	4.4	7.4
2011-12	4.4	7.8
2012-13	5.6	6.85

2013-14	9.1	6.76
2014-15	8.56	6.54
2015-16	7.62	6.6

Source: Annual Reports of Ministry of MSME

From 2000 to 2006, India saw industrial development in the scope of 5-8% every year. Subsequently, it recorded twofold digit development for 4-5 years, before easing back down to around 6% development during 2015-2016. The MSME division improved its development performance during 2003 – 2009 and recorded the development of over 10% during 2008-09. Introduction of MSMED Act, 2006 assumed a job here. Be that as it may, post 2008 worldwide money related emergency, MSME development fell forcefully and drifted around 4-7%.

The MSME part in India is contributing over 40% to exports. It very well may be seen from Table VII underneath that the portion of MSME exports has expanded from 43% in 2012-13 to 49% in 2017-18.

**Table 2: Share of MSME exports in total exports (Amount in USD Million)**

Year	Total Exports	Exports by MSME	Share of MSME Exports (%) (Decimal points rounded off)
2012-13	300400	127992	43
2013-14	314415	133313	42
2014-15	310352	138896	45
2015-16	262291	130768	50
2016-17	275852	137068	50
2017-18	303376	147390	49

Source: RBI & Press Information Bureau/Directorate General of Commercial Intelligence and Statistics. (DGCIS)

**Table 3: Growth of Exports by MSME in Total Exports**

Year	Growth/Decline in MSME Export	Growth/Decline in Total Export
2013-14	4.16 %	4.67 %
2014-15	4.19 %	-1.29 %
2015-16	-5.85 %	-15.49 %
2016-17	4.82 %	5.17 %
2017-18	7.53 %	9.98 %

Source: RBI & Press Information Bureau of DGCIS

**Table 4: Procurement Status of CPSEs from MSEs (₹ crore)**

Year	No. of CPSEs	Total Procurement	Procurement from MSEs
2014-15	113	143665.03	9601.01
2015-16	132	162659.75	12566.15
2016-17	141	134409.70	25329.44
2017-18	168	161652.98	24226.51

Source: Public Enterprises Survey 2017-18

**Table 5: Progress of MSME on Top Ten States and the Distribution of Enterprises**

Top Ten States	Distribution of Enterprises
Uttar Pradesh	89.99 %
West Bengal	88.67 %
Tamil Nadu	49.48 %
Maharashtra	47.78 %
Karnataka	38.34 %
Bihar	34.46 %
Andhra Pradesh	33.87 %
Gujarat	33.16 %
Rajasthan	26.87 %
Madhya Pradesh	26.74 %
Other State/Union Territories	164.52 %

Source: Annual Report 2017-18, Ministry of MSME

**Table 6: MSE CDP - Cluster Development Status as on 31.03.2019**

CFCs Approved	Ongoing	Approved
115	47	68

Source: rbi.org.in

**Table 7: Credit Flow to MSME sector (Amount in Billion)**

Year ended	Public Sector Banks	Private Sector Banks	Foreign Banks	Scheduled Commercial Banks	Non-Banking Finance Company
Mar.'14	7583.78	2471.22	344.30	10399.30	85.76
Mar.'15	8526.89	2815.48	367.87	11710.26	286.48
Mar.'16	8205.48	3590.85	363.73	12160.07	880.13
Mar.'17	8289.33	4309.62	365.02	12963.98	1113.10
Mar.'18	8645.98	4107.60	488.81	13242.39	1441.40
Mar.'19	9367.24	5717.04	691.37	15775.66	1622.17

Source: As reported by Scheduled Commercial Banks to RBI

**Table 8: Overall Credit Exposure of MSMEs over the years (in ₹ lakh crore)**

	Micro < ₹1Cr	SME ₹1 Cr- 25 Cr	MID ₹25 Cr- 100 Cr	Large ^ ₹100 Cr	Overall
Sep'16	3.0	7.5	4.8	34.1	49.4
Dec'16	2.9	7.5	4.9	34.3	49.6
Mar'17	3.1	7.8	4.9	34.1	50.0
Jun'17	3.3	8.1	5.0	34.4	50.8
Sep'17	3.5	8.5	5.2	34.7	51.8
Dec'17	3.7	8.9	5.4	36.4	54.5
Mar'18	4.0	9.6	5.5	37.8	57.0
Jun'18	4.2	10.0	5.5	38.3	58.1
Sep'18	4.3	10.0	5.5	38.9	58.7

Source: Trans Union CIBIL

### Competitive Performance of MSMEs in India

Competitiveness is characterized as the 'capacity of a firm or a nation to offer products and services that fulfill the quality guidelines of the nearby and world markets at costs that are suitable and provide satisfactory profits for the assets employed or devoured in producing them.' While MSMEs in India keep on staying one of our most elevated employment-producing divisions, their performance in international markets has a lot of degrees for improvement. In most specific areas that call for innovation availability and R&D power, for example, telecom, IT equipment, hardware, and so on, India stays a net importer of products. While in every single other segment, the overall seriousness of MSME units in India in the worldwide production network keeps on staying in a nascent organization. As portrayed above, there is a need to more readily incorporate into worldwide inventory chains, either legitimately or through bigger organizations. But then, there is extraordinary assorted variety, power and innovation centricity found in some MSME units.

Competitiveness of a firm can be assessed by its ability to contend, ability to associate and ability to change. Every one of these structures, the mainstays of the Competitiveness matrix<sup>10</sup> demonstrated as follows. While the Capacity to Compete for centers on present operations of firms and their productivity as far as cost, time, quality and amount, the Capacity

to Change alludes to firms' ability to execute change because of, or in anticipation of, dynamic market powers. The Capacity to Connect, then again, alludes to the ability to assemble and misuse business significant information and information. Every mainstay of seriousness is resolved at three levels, for example, firm limits, business ecosystem, and national environment to decide if intensity shortcomings or qualities are at the firm level, inside the quick business environment, or at the large scale level.

### Discussion and Conclusion

Globalization has made critical economic opportunities for nations and organizations around the globe to get to the worldwide market. Consequently, India, as different nations, has strived to stay aware of the worldwide market rising elements by continually returning to its different arrangements. MSMEs comprise just about 95 percent of the Indian economy. In this manner, the development of the MSME division is fundamental to meet the national targets of budgetary consideration and employment generation across urban and provincial zones. Further, it can encourage and support the development of new-age entrepreneurs who have the potential to make universally serious organizations from India.

The MSME segments assume a key job in the Indian economy as it establishes 80% of the absolute industrial enterprises and contributes 34% of the all-out exports of the nation. The part has performed well and preferable in the recent downturn over different segments, including huge enterprises. It can properly be appropriately said that the MSME area is the foundation of the Indian economy and will keep on being act similarly in the future provided the government approaches are made in the kindness of part' development and development. MSME segment is a significant benefactor in India's exports and can be an approach to improve the export development of the nation by improving the quality guidelines of the MSME products and catching increasingly worldwide clients. To contend at the international level, the Indian MSME segment needs to experience mechanical and modernization activities as there is a major risk from nations like

China, Thailand, Taiwan, Korea, and so forth to the Indian area.

Export seriousness of Indian MSMEs can be promoted by taking a shot at the key performance zones of the area and defeating the key difficulties/ boundaries to them and a solid involvement of the government, private division and the international segment. Regardless of whether it is innovation outdated nature, the significant expense of credit, security requirements, crude material expenses, improper infrastructural offices, absence of gifted workforce, and so forth separated from every one of these issues, the segment needs innovation in specific regions as talked about to make supportable MSMEs which can have the valor to confront and contend the developing nations' exporters and increment India's offer in the worldwide exports. Certain segments should be profoundly engaged and can prove to be critical export workers for the developing economy. The government, private area and the international network can assume an important job in promoting the export intensity of the Indian MSMEs. The MSMEs can contend internationally in explicit specialties and high profiled productions. MSMEs can likewise connect themselves with MNCs and enormous national exporters in a type of co-marking. Creating MSME export bunches and industrial systems with the dynamic job of ICT frameworks can help in the promotion of export seriousness in the Indian MSMEs. Information innovation or an Internet-empowered environment helps in quick and precise basic leadership by the SMEs because of expanded portability. The basic components before MSMEs are speed of services, access to information, empowering employees as far as aptitude and conveying most elevated esteemed services at a serious expense. The part needs IT-based solutions as far as performing multiple tasks, growing client base, raising productivity, controlling cost, working remotely, quick and exact basic leadership and encouraging collaboration. MSMEs have different needs to function in an aggregative manner to connect for esteem addition by remembering the variable cost model. IT use by the MSMEs raises the productivity of the division specifically and the economy as a rule.



## Limitations of the Study

From the findings of the research it is to be narrated the study engaged with following limitations:

The study focused only focusing on the competitive performance and progress of MSMEs in India, not considering other factors related to MSMEs like challenges, opportunities, etc.

The study was limiting its focus only to certain years, not from the beginning stage of MSMEs in India.

## Scope for Further Researches

From the research gap (limitations) of the present study, the author has suggested the following scope for future researches:

1. The study can be done in any specific area like MSME's competitive performance and progress in any particular state/district.
2. A detailed study can be done in any particular variable's progress like MSME's Exports/Credit Exposure etc.

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