LITERATURE REVIEW:

1. Lakmakker et al., (1998) conducted improving the environmental performance of small-scale industries in the south: a case study of the dyestuffs industry in India. The freedom of the small-scale industry to choose a response to external pressure is limited through the fierce competition and the lack of technological capabilities. Technology deployed by small-scale units have been static in spite of the availability of improved technologies on the Indian market. The likely reasons for this were: Lack of operational and investment capabilities. Unwillingness to invest. Lack of capabilities to engage in technology search. Improvements are not perceived to be necessary. The response of small-scale units to environmental issues has mainly been threat driven. Responses have so far been aimed at reducing the necessity to engage in environmental investments. The industry will wait with investments unless a real threat is perceived. If investments are enforced, the price based competition requires that: Working capital requirements should be as low as possible.

2. McIntyre (2001) revealed The Role of Small and Medium Enterprises in Transition: Growth a Entrepreneurship. This paper has discussed mixed systems in which SMEs functioned successfully in the examples from two quite different perspectives. First, they suggest the value of studying the character of the actual links and working relationships between large and small enterprises. Second, they show that there are opportunities for SME growth in even those transition environments that diverge far from free-market conditions. If SMEs could survive, and even in some cases thrive, under such fundamentally ‘hostile’ old system conditions, it is at least superficially puzzling that their experience in transition has been so difficult and at best mixed.

3. Bharti, S. S. (2002), also discussed various factors affecting the growth and development of small-scale industries and the problem faced by this vital sector of Indian economy was 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 was 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 units in this sector as number of non-viable units is increasing steadily.

4. Gupta (2009) studies on the economic distress worldwide, the micro, small and medium scale enterprises (MSME) had been hit hard. Large numbers of workers had been laid off because of depressed demand, piled up inventory, pending retrievables and squeezed credit market. A sector which provides maximum employment could not be left to fend for itself without a major transformation led by the entrepreneurs, policy makers and also other support organizations. There were several innovative options that one can try at four different levels such as (a) stimulating demand, (b) upgrading technology and skills, (c) promoting innovations for developing new products and services and (d) forging new partnerships among the entrepreneurs and also with the R&D institutions, grassroots innovation networks and the technology students.

5. Ravi (2009) studied the Entrepreneurship Development in the Micro Small and Medium Enterprise Sector in India. In this study they have looked at growth of Indian Micro Small and Medium Enterprise Sector over the last fifteen years. The MSME sector has often been termed the ‘engine of growth’ for developing economies. They begin with an overview of the sector in India and look at some recent trends which highlight the development and significance of this sector vis-à-vis the Indian economy. Over the last few years, there has been major policy changes at the federal and state level aimed at consolidating and developing this sector. The MSME Development Act of 2006 is perhaps the most crucial of these recent policy changes. In the fourth section of this paper, they have critically analysed the legislation and look at its main achievements as well as the remaining challenges. They also discussed a few policy recommendations which have been commonly suggested to settle some of the on-going debates in this sector which the MSME Act of 2006 has been unable to resolve. In the second part of this paper, they do an analysis of specific government policy interventions on the growth of entrepreneurship in the MSME sector in India. The policies of interest are state outlays and subsidies targeted towards this sector. More specifically, they analysed the impact of total financial subsidies to the sector, total state investment in industrial parks and
clusters aimed at this sector and the total stat expenditure to support technology within the MSME sector.

6. Edward (2011) found out the Assessing the effects of small scale industries on the livelihoods of Women: Case study on Savelugu community in the Northern Region of Ghana. The research assessed the impact of small scale enterprises on livelihoods of women in the Savelugu/Nanton district. The descriptive sample survey was used for the study and a sample size of 104 women was selected for the study. In Savelugu, women own between one-third and one-half of all small rural enterprises. Women’s enterprises tend to be relatively small, have informal structures, flexibility, low capital needs, modest educational requirements, high labour intensity, and depend on local raw materials. Disparities exist in terms of access to, and control of, direct productive assets, human and social needs. The study results revealed that women’s small scale business activities has contributed significantly to their livelihoods. The women undertake activities such as Shea butter processing, soap making, processing groundnut oil and dawadawa processing. The study also revealed that most of the women are assisted with credit to undertake these activities. The women confirmed that they expend their earnings on family food security, child education and family health and nutritional needs. The study concluded and recommended that Organizations working with women in the district should encouraged them to form and join associations and strengthen these associations into virile front in order to get their ideas or opinions heard and also to enable them get access to financial assistance or jointly own industries in order to expand their capital base. They should create niches and explore market avenues for women who have no access to market their products and link up women groups with credit and financial institutions to offer regular credits to the women.

7. Ahiawodzi (2012) revealed Access to Credit and Growth of Small and Medium Scale Enterprises in the Ho Municipality of Ghana. The study examines the effect of access to credit on the growth of Small and Medium Scale Enterprises (SMEs) in the Ho Municipality of Volta Region of Ghana by using both survey and econometric methods. The survey involved a sample of 78 SMEs in the manufacturing sector from the Ho
Municipality. The specified econometric model have firm growth as the dependent variable, and the independent variables include access to credit, total current investment, age of the firm, start-up capital, education level and annual turnover of the firm. Both survey and econometric results show that access to credit exerts a significant positive effect on growth of SMEs in the Ho-Municipality of Ghana- the main policy implication of the study therefore is that the government should try hard to meet the credit needs of the SMEs in the country for a speedy economic growth.

8. Bhati (2012) reported India: the role of small-scale industries in an emerging economy. The role of small-scale industries in the economic development of India in recent years was critically analysed in this paper. Various factors affecting the growth and development of small-scale industries and the problem faced by this vital sector of Indian economy was 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 units in this sector as number of non-viable units is increasing steadily.

9. Coad (2012) conducted The Growth and Decline of Small firms in Developing Countries. Empirical work on micro and small firms has focused on developed countries. The little work that exists on developing countries is all too often based on small samples taken from ad hoc questionnaires. The census data they analysed were fairly representative of the structure of small business in India. Consistent with prior research on developed countries, size and age have a negative impact on firm growth in the majority of specifications. The decision to export is a double-edged sword – if successful it can accelerate the growth of successful firms, but it can also increase the probability of decline. While proprietary ownership results in faster growth, enterprises managed by women were less likely to grow and more likely to decline. Although many small firms were able to convert knowhow into commercial success, they found that many others do not have any technical knowledge and some were unable to use it to their benefit.
10. Vibhute (2012) reported the “Role and Place of Small Scale Industry in Indian Economy”. In a developing country like India, small scale units have played a significant role in economic development. Besides economic role, small enterprise with their unique economic and organizational characteristics have played social and political role in term of creation of local employment, balanced resource utilization, income generation and to promote changes in a gradual and peaceful manner. It is necessary that the importance of small scale industry should bring to the notice of society, due to its socio–economic changes in urban and rural areas as an powerful instrument of decentralization of economic power.

11. Chelgoi (2013) reported the effects of the microfinance institutions on small scale business growth: a survey of Uasin-Gishu County, Kenya. Kenya’s economic growth and development agenda depends on donor funding. The recent world wide recession and the stringent measures of awarding credit by the major banks to the low- income earners need not to over emphasize the importance and crucial role of micro-finance institutions in Kenya to the growth of small business enterprises. There duction of the donor funding to MFI’s has drastically affected its operations and expansions and thus it’s continuous involvement with small business enterprise operations and activities in Uasin-Gishu County. The study sought to evaluate the effects of MFI’s as a microfinance institution on small scale enterprise’s growth in Uasin-Gishu County. The study adopted a survey research design and targeted a population of 285, while simple random sampling was used to select 50 respondents. Questionnaires were administered by the researcher to the selected client groups while an interview schedule was used to collect information from the MFI’s management. The data collected was analyzed using descriptive and inferential statistics. The study findings showed that MFI’s plays a very crucial role in the growth of small business enterprise in the division and to further ascertain this claim a modified Evans Growth Model was conducted to examine the effects of MFI’s on small business growth. Level of education, training, gender, monitoring and evaluation, meeting with client groups were found to significantly influence small business enterprises growth. The result has implications for the role microfinance institutions in economics development, small business growth and poverty alleviation in Kenya.
12. Dr. M. K. Rastogi, Prakash Yadava (2013) studied, various factors affecting the growth and development of small-scale industries and the problem faced by this vital sector of Indian economy. They also discussed the contribution of small-scale industries in employment growth, production, export promotion and other economic indicators. According to them the organisations and other players to take steps to enhance the measures of the factors, enabling these organizations to thrive.

13. According to Priti Goswami (2014), the number of the poor was enormous but ironically, the number of Micro finance Institutions catering to them was handful. Microfinance was not just about giving micro credit to the poor rather it was an economic development tool whose objective was to assist poor to alleviate poverty and become self-dependent. Small scale businesses use credit/loans from micro finance institutions (MFI) to finance their business operations and others use the credit to set up business. Micro Finance Institutions were established to enable the poor without collateral security access credit funds at affordable and friendly terms and small savers to accumulate wealth. This showed that micro finance activities were relevant for the growth and development of Small scale industries. This paper was based on descriptive research and uses secondary data for the research. The study was limited to the Madhya Pradesh state. This paper deals with the functioning of micro finance institution in the survival and growth of small scale industries. In this paper different point that have been suggested for the development of micro finance which will help the economic and social life of the people.

14. Brunton (2014) conducted a Financing small-scale rural manufacturing enterprises study. The role and significance of small industries in the economic development process was well recognized. Governments in developing countries, almost without exception, have introduced special support programmes to encourage the growth and development of SSEs. Credit, normally at highly concessionary interest rates, was an important component in many of these programmes. But credit was only one element in the myriad of factors comprising the environmental context of the SSE, and by itself cannot be expected to induce the type and level of response desired. Governmental policies on
pricing, on agricultural development, on industrial incentives and, for the forest-based SSE, on forestry development and legislation, are all determinants of the vigour with which the small industries sector will develop.

15. Namaki (2014), studied the Developing and promoting technology and technical skills in small-scale rural manufacturing enterprises. There exists a common belief, supported by developing country case histories, that small industry could be a prime mode of economic growth if it overcomes some structural problems and assumes a proper industrial policy role. The World Bank, UNIDO, ILO and a multiple of research forums have explored some of these problems and come away with the conclusion that the sector suffers from a shortage of managerial skill and a scarcity of technological input. The lack of managerial skill as well as the fragile technological base have been demonstrated themselves in a tangible enterprise mortality rate in invariably all developing countries encountered in the course of this and other research efforts.