

S M E

Nikita Mehta  
Mamta Brahmbhatt

# Competitiveness of Small and Medium Sized Enterprises

competitiveness of SMEs

rn30015



**Imprint**

Any brand names and product names mentioned in this book are subject to trademark, brand or patent protection and are trademarks or registered trademarks of their respective holders. The use of brand names, product names, common names, trade names, product descriptions etc. even without a particular marking in this work is in no way to be construed to mean that such names may be regarded as unrestricted in respect of trademark and brand protection legislation and could thus be used by anyone.

Cover image: [www.ingimage.com](http://www.ingimage.com)

Publisher:

LAP LAMBERT Academic Publishing  
is a trademark of  
International Book Market Service Ltd., member of OmniScriptum Publishing  
Group  
17 Meldrum Street, Beau Bassin 71504, Mauritius

Printed at: see last page

ISBN: 978-620-0-78326-4

Copyright © Nikita Mehta, Mamta Brahmbhatt  
Copyright © 2020 International Book Market Service Ltd., member of  
OmniScriptum Publishing Group

BKBIM 80015

FOR AUTHOR USE ONLY

## CHAPTER ONE INTRODUCTION

	2
<b>1.1 Indian SME Sector – A present scenario.....</b>	<b>3</b>
1.1.1    Background.....	4
1.1.2    Definitions of Micro, Small & Medium Enterprises.....	5
1.1.3    Recent policy initiatives to enhance SME Competitiveness.....	8
1.1.4    Indian SMEs and Economic growth.....	12
<b>1.2 Gujarat's SME sector – A present scenario.....</b>	<b>13</b>
1.2.1    Gujarat's MSME sector and economic growth.....	14
1.2.2    Gujarat Government's policy to increase competitiveness of SME Sector.....	18
1.2.3    Gujarat's SME sector at glance.....	19
<b>1.3 SMEs and Competitiveness.....</b>	<b>19</b>
<b>1.4 Key challenges for Indian SME sector.....</b>	<b>21</b>
<b>1.5 Motivation for this study.....</b>	<b>23</b>
<b>1.6 Importance of this study.....</b>	<b>23</b>
<b>1.7 Scope of this study.....</b>	<b>24</b>
Chapter Summary.....	25
References of chapter 1.....	26

## CHAPTER TWO

### FIRM COMPETITIVENESS AND FINANCIAL COMPETITIVENESS: THEORETICAL FRAMEWORK

<b>2.1 Background.....</b>	<b>29</b>
<b>2.2 Competitiveness – Concept and Discussion.....</b>	<b>32</b>
2.2.1    Firm Competitiveness.....	33
2.2.2    Financial competitiveness.....	33
<b>2.3 Theoretical Frameworks and Models.....</b>	<b>34</b>
2.3.1    Global Competitiveness Index Model.....	34
2.3.2    Porter's Diamond Model.....	34
	35

2.3.3	Tata Business Excellence Model.....	36
2.3.4	Baldrige Excellence Frame-work.....	37
2.3.5	Competitive Advantage Theory.....	38
2.3.6	Resource Based View Theory.....	38
2.3.7	Capability Theory of Competitiveness.....	39
2.3.8	Knowledge Based View Theory.....	39
2.3.9	APP Model (Assets, Processes and Performance).....	39
2.3.10	Economic Value Added Model.....	40
2.3.11	EFQM.....	41
2.3.12	Business Score Card.....	42
2.3.13	Financial Ratio Analysis and other financial tools.....	42
<b>2.4</b>	<b>Variables of the study.....</b>	<b>47</b>
	Chapter Summary.....	53
	References For Chapter 2.....	54

FOR AUTHOR USE ONLY