***\*\*\*Review the article on pricing strategies for a small to medium size business. In a few paragraphs critique the article and discuss what other small to medium size businesses can learn from these strategies identified.\*\*\****

**Pricing Strategy Adopted by Small-Scale Entrepreneur**

In a developing country like India, small-scale entrepreneurship plays a significant role in the economic development of the country. These industries, by and large, represent a stage in economic transition from traditional to modern technology after globalization. The variation in transitional nature of this process is reflected in the diversity of these industries. Most of the Small-Scale Industries (SSIs) use simple skills and machineries. Besides playing an economic role in the country, the SSIs, because of their unique economic and organizational characteristics, also play a social and political role in local employment creation, balanced resource utilization, income generation and in helping to promote change in a gradual and peaceful manner. But if the small-scale industries want to compete with the present industrial scenario then they have to adopt modern marketing tools like marketing research, promotional activities etc. These are the very essential tools for their existence in the long run.

SSIs (MSMEs) play a strategic role in the progress of the country. One of the major problems in developing new small-scale industries to modern lines of manufacture is shortage of finance. In the absence of this powerful grease, a number of well-conceived schemes confined their existence to paper and found no opportunity to fruition. This problem is so severe and extensive that every problem, whether of inadequacy of raw materials, shortage of power, labor or marketing, turns its ultimate analysis to problem of finance. In recent years, several policy initiatives and procedural simplifications have been done by the government to support the small-scale sector and enhance its competitive strength. The measures encompass areas like greater infrastructural support, more and easy availability of credit, lower rate of duty, technology upgradation, building entrepreneurial talent, quality improvement, export incentives, employment generation, etc.

The state governments have also laid emphasis on the development of SSIs. It has initiated a large number of schemes to encourage the people within the state to come forward and set up various kinds of industries in the state. Further, the literature contains only a few studies conducted on the marketing strategies of SSIs. These studies have little relevance in the present context. Thus, there exists a research gap. Therefore, the present research work is an attempt to analyze the pricing strategies of SSIs in Himachal Pradesh. The SSIs have a tremendous scope in the state. It could facilitate increase in the economic growth of the state.

Himachal Pradesh has made a significant achievement in the field of industrialization in the past few years. With the ushering in of the liberalized economy and consequent delicensing and notification of special package of incentives for the state, the flow of investment in the Himachal Pradesh has increased manifold, resulting in very good response for setting up new industrial ventures in the state.

At present, there are 471 medium and large-scale industries registered in the state having an investment of ?8,918.60 cr and employment potential of about 55,823 persons. In addition, there are about 11,931 SSIs (MSME) registered having an investment of about ^4,573.59 cr and employment potential of 65,148 persons. With a view to accelerating the pace of industrialization and generating more employment opportunities in the industrial sector in the state, the Government of India had notified a new package of incentives for the State of Himachal Pradesh on January 7, 2003. The special package of incentives included fiscal incentives, e.g., investment subsidy on plant and machinery @ 15% subject to a maximum of ?30 lakh, 100% outright excise duty exemption for a period of 10 years (this component of the package has been withdrawn from March 31, 2010) and 100% income tax exemption for a initial period of five years and thereafter 30% exemption for companies and 25% for individuals for another five-year period to new units as well as units undertaking substantial expansion (Annual Administration Report, 2010-11). The state government frames an industrial policy from time to time. The present research work will certainly be helpful to the policy makers, students, researchers as well as industries.

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