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Comparative Analysis of MSMEs to Revamping the Procedures for Availing Finance

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Abstract:
Micro Small and Medium Enterprises (MSMEs) are the engine of economic growth which constitutes the majority of business enterprises and they are vital for employment generation, income creation and poverty alleviation. MSMEs are the second largest source of employment next only to agriculture.The main objective of this paper is to analyse the financial barriers faced by the MSMEs while attempted to avail the financing opportunities from the financial institutions. The researcher conducted exploratory factor analysis to the proposed variables in the model by using KMO and Bartlett's test. Simple linear regression analysis has been conducted to compare Micro, Small and Medium enterprises. The researcher proposed type of industry, tenure of business, procedural complications, lack of knowledge about finance schemes, difficulty in documentation are the independent variables of the study which may leads for availing the finance from different financial organizations. Further, the researcher afforded to know the impact of availing finance of MSMEs in Guntur district, Andhra Pradesh, India.

Keywords: MSME, Regression analysis, Factor analysis, KMO test, Bartlett's test.

JEL Classifications: C12, C53, G17, P42.

1. INTRODUCTION

The business operation is considered to be very complex in a competitive business environment which is constantly changing with the fast technological advancements (Hector et. al., 2016). An entrepreneur is expected to interact with these environmental forces which require him to be highly competent in different dimensions like intellectual, attitudinal, behavioural, technical and managerial aspects. Entrepreneurs are therefore permanently challenged to deploy a set of competencies to succeed in their entrepreneurial endeavours. While the concept of entrepreneurship has a long history in the commercial sector, it has been embraced relatively recently in the social economy or third sector. Nonetheless, social

entrepreneurship is now one of the hottest topics for policy makers and practitioners seeking new solutions to social problems in the world. However, there is not yet conceptual clarity on the nature of entrepreneurship and how it is similar and different from others indeed.

Increasing attention is being given to entrepreneurship as a component of economic growth (Noorinasab et al., 2016). Entrepreneurship plays a vital role in the economic development of any country and it can be as well linked to economic growth which thereby ultimately to the overall prosperity of any nation.

Concept of MSMEs

Ever since the official recognition of small-scale industrial unit in the Independent India, that is during 1950, the definition of small-scale industry has been revised many a time taking into consideration the felt needs and the emerging changes in the socio-economic, political, cultural and industrial environment of the country. A brief review of small industry definition over the years since 1955 brings to light the modifications/changes that took place concerning the scope of small industry. During 1955, the Small-Scale Industries Board (SSIB) defined small industry as a unit employing less than 50 persons if uses power and less than 100 persons without use of power, and with capital assets not exceeding Rs. 5 lakhs. The Ministry of Commerce and Industry, Govt. of India, has modified this definition during 1959. In the modified form, the restriction of employment was made applicable separately to each shift. Then a unit working double or triple shift could get the benefit of government policy and programme even when it employed double or triple the number of workers admitted in the aforesaid definition.

Owing to the development of small-scale industries, it was felt necessary to alter the definition once again in 1960. In the revised definition, the employment condition was altogether removed. As per this definition, small-scale industry includes all industrial units with a capital investment of not more than Rs.5 lakhs, irrespective of number of persons employed. In 1962, with the intension of developing viable ancillary units, a relaxation of Rs.5 lakhs limit in fixed capital with regard to small-scale units, which supply parts/components to certain specified large-scale industries was made. A limit of Rs.10 lakhs has been adopted for this purpose. Thus, a new kind of small-scale industry has emerged in the country. These units were defined as ancillary units and the investment limit was fixed at Rs.10 lakhs instead of Rs.5 lakhs.

During 1966, on the recommendations of SSIB, the government of India has raised the investment limit from Rs.5 lakhs to Rs.7.5 lakhs for non-ancillary units irrespective of number of persons employed and it had retained at Rs.10 lakhs for ancillary ones. Capital investment for this purpose will mean investment in plant and machinery only. In the context of rising prices, once again small scale and ancillary industries were redefined during 1974. The investment ceiling in plant and machinery has been raised from Rs.7.5 lakhs to Rs.10 lakhs and from Rs.10 lakhs to Rs.15 lakhs to small and ancillary units respectively. The tiny sector was recognized and brought into the policy frame in the Industrial Policy Resolution of 1977. Tiny industries were defined as those with investment of not more than Rs.1 lakh and situated outside the metropolitan areas. Once again in 1980, the Government revised the definition of tiny, small and ancillary industries. Tiny units were those with investment in plant and machinery not exceeding Rs.2 lakhs set up an area with a population of less than 50000. Small units were those with investment in plant and machinery not exceeding Rs.20 lakhs. Further, ancillary units are those with investment in plant and machinery not exceeding Rs.25 lakhs.

MSMEs are the engine of economic growth which constitutes the majority of business enterprises and they are vital for employment generation, income creation and poverty

alleviation (Hector et al., 2016). MSMEs are the second largest source of employment next only to agriculture. They manufacture nearly 6,000 products. In India, these are around three million, which account for almost 50 per cent of output and 42 per cent of total exports. It is estimated that to create one job in this sector, only about Rs. 75,000 is required as against Rs. 6 lakhs in the large scale sector. In the present day global scenario, where several large scale industries are on the edge of collapse, the role of MSMEs assumes significance. If we compare the growth of MSMEs in India with those in other countries it is found that we lag far behind. There are certain major hurdles which do not allow this sector to flourish such as less credit availability, lack of technological innovation, the knowledge of market demand and market accessibility etc.

2. REVIEW OF LITERATURE

Following paragraphs describe the important existing literature in the field of study area.

Bhavani T.A (2010) highlighted the problem employment in terms of quality in SSIs. She emphasizes the conciliation attitude to increase the volume of employment generation by compromising the quality. She argued that the employment being generated by SSIs may be big in number bur low in quality. She suggested that the upgradation and effective usage of technical know-how would enable the small and medium firms to mitigate the problem of substandard employability. Further, she suggests that the structural shift of upgradation of technology may reduce the rate of employment in short-run but it would ensure quality employment in long-run.

Subramanya. B (2011) has proved from his study that there is a positive impact of globalization on the exports of the small and medium enterprises. The study hints that the share of exports of SSIs has increased in pre-globalization period but remained unchanged or with little volatile during post-globalization. It is evident as the correlation coefficient of exports of SSIs, between post-globalization and pre-globalization period, is higher in the former comparatively with later. He attributed that the change is due to drastic change in composition of SSI export items from traditional to non-traditional and upward trend in its contribution to total exports through trading houses, export houses and subcontracting relation with large enterprises. **Lahari . R (2012)** has studied the definitional aspects of MSMEs and made an investigation on opportunities and challenges of globalization on MSMEs (Mukherjee, 2015). From his study, he compared the secondary data of pre and post-globalization period in order to measure the performance of MSMEs by measuring annual average growth rate (AAGR). He took several variables for the purpose of study such as number of units, production, employment and exports. It was found that the growth rate is not encouraging except employment generation. He opined that India was passing thorough a hard phase as heavy industries were posing tough competition in all aspects therein.

Chandraiah. M (2013) has examined on new economic policy introduced in 1991 which has given a new concept called 'LPG'. He opined that globalization in India was adopted to integrate the Indian economy with global economies. Further, he said that LPG resulted uneven and unhealthy competition among world MNCs and Indian MSMEs. He suggested that there was a dire need to promote MSMEs by providing all the possible incentives to put them into forefront so as to compete with the world market. **Guptha S.L and Ranjan. R(2014)** explained that the policy of LPG was intended to deregulate the market and keep cash flows increase so as to amplify the number of units and employment opportunities. However, he pointed that the aim was halfway succeeded as the targeted objectives were not reached successfully. It was also revealed that increase in no. of units and

employment opportunities generated have shown proportionate growth rate over the period of time but, exports and production was a bit volatile. Further, per unit increase in rate production was not matched with overall increase in production rate. It clues that the new units added over the period of time take more time to achieve the objectives as comparatively old ones as the result of difficulty in understanding the new technology and innovations. He suggested Indian entrepreneurs must learn from Chinese experience where subsidies are given to those units which were intended towards exports after value addition. Mesut Savrul et al. (2014) opined that the size of the MSMEs is disadvantage to itself as it could not compete with its counterparts which are larger in terms of size and operations and so on. However, e-commerce may be considered as the panacea to mitigate the problems of MSMEs to compete on global platforms.

As per KPMG (2015), the new wave of MSME would enable the development of an ecosystem that may continuously support businesses. The study stressed that this new wave of MSMEs aim at creating and delivering value to best to the economy. The initiation of Digital India is a revolution that may provide an opportunity to MSMEs to participate in the telecommunication and information technology sector too. India has rightly understood the nexus which exists among various sectors of the Indian economy. Therefore, it can be understood that the development of the MSME sector certainly promise the development of all the three sectors of the economy. **According to OECD (2017),** today, SMEs are considered to encompass local strength with global reach out. The potential associated with them to be tapped. Therefore, it is considered to be pivotal for the national governments across the globe to extend support to these growth engines by way of their better policies.

Need of the study

The established units of MSME in India are 42.05 million as per the annual report of MSME 2018-19. MSME sector is producing 45% of productivity, 40% of jobs and 40% of exports. Though this sector is flourishing till the date the banks are lending only 16% to the MSME sector in India. It is required to understand much about the existing financial barriers to the MSMEs.

Objectives of the study

The main objective of this study is to provide the comprehensive understanding on the financial barriers faced by the MSMEs while attempted to avail the financing opportunities from the financial institution.

Scope of the study

The scope of this research is confined to the certain emotions, feelings and gratifications which evoked by the challenges faced by the MSME entrepreneurs while availing finance to their organizations. The study is confined only to Guntur district of Andhra Pradesh state in India.

3. METHODOLOGY

To reach out the predefined objectives of the study, it is intended to use primary and secondary data. The primary data is collected from the MSME entrepreneurs of different units located in and around of Guntur city through interview method. The secondary data is collected from different sources such as journals, magazines, periodicals, database of MSMEs, published and unpublished data in that matter.

Hypotheses:
H1$_0$: Type of Industry will not have effect on Availing of Finance.
H2$_0$: Tenure of Business will not have effect on Availing of Finance.
H3$_0$: Procedural Complications will not have significant negative effect on Availing of Finance.

H4$_0$: Lack of knowledge about Financial Schemes will not have significant negative effect on Availing of Finance.

Reliability Analysis:

As a consequence of modifying the instrument, the questionnaire measures were tested through reliability analysis in order to determine if the sample subjects were understood all items in the questionnaire and to test the for internal consistency. Because most of the measurement items were adapted from other studies which used them in different contexts, it was important to test the phraseology of the research instrument. The relationships among the individual items will be investigated by considering the average item-total correlation and average inter-item (Cronbach's Alpha) correlation. Item-total correlation was considered to be one of the methods available to test construct validity (Kerlinger, 1986; Anderson and Gerbing, 1988). It measures internal consistency by establishing how much item agrees with the sum of other items. The average inter-item correlation indicates the stability and consistency of the measuring instrument (Kerlinger, 1986).

The Cronbach's Alpha was used to measure the reliability coefficient. For reliability coefficient values, it was suggested that 0.70 is the minimum requirement for basic research (Nunnally, 1978). If the correlations are low (less than 0.70) the contribution of each item will be reviewed, and consideration will be given to dropping from the scale of those items that provide the least empirical and conceptual support. The following Table 1 suggests Cronbach's Alpha (refer Table 1) and the item-total correlation of the variables (refer Table 2) are above the minimum cut off requirement, indicating good reliability.

Table 1 Reliability Analysis:

Sl.No	**Variable**	**Cronbach's Alpha**
1	Type of Industry (TOI)	0.930
2	Tenure of Business (TOB)	0.866
3	Procedural Complications (PC)	0.889
4	Lack of Knowledge about Finance Schemes (LKFS)	0.933
5	Availing of Finance (AF)	0.913

Table 2 Inter – Item correlation Matrix:

	TOI	TOB	PC	LKFS	AF
TOI	1	.188**	.240**	.192**	.597**
TOB	.188**	1	.612**	.374**	.373**
PC	.240**	.612**	1	.362**	.385**

LKFS	.192**	.374**	.362**	1	.262**
AF	.597**	.373**	.385**	.262**	1

**. Correlation is significant at the 0.01 level (2-tailed).

Content Validity:

The content validity of the measurement would be evaluated by eminent academicians and research experts in management.

Exploratory Factor Analysis:

The researcher conducted exploratory factor analysis (Adalberto et al., 2019) to the proposed variables in the model. The KMO and Bartlett's test results are mentioned in the following Table – 3.

Table – 3: KMO and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.915
Bartlett's Test of Sphericity	Approx. Chi-Square	38574.676
	Df	1081
	P- value.	0.000

The results elicited in the above table revealed that the KMO value is 0.915 which indicates that there is high sampling adequacy, so that it is concluded that the samples drawn for this study is accurate. The following Table – 4 disclosed that the proposed variables evidenced 79.62 percent of variance in the model. As the variance is greater than 50 percent of the threshold level, we can consider all the proposed variables in to the study.

Table – 4: Total Variance Explained in the model

Total Variance Explained									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.340	4.979	60.369	2.340	4.979	60.369	3.804	8.093	37.668
2	2.017	4.292	64.661	2.017	4.292	64.661	3.682	7.834	45.503
3	1.697	3.610	68.270	1.697	3.610	68.270	3.607	7.674	53.176
4	1.447	3.079	74.691	1.447	3.079	74.691	3.285	6.989	67.553
5	1.252	2.663	77.354	1.252	2.663	77.354	3.067	6.526	74.079
6	1.0	2.268	79.622	1.0	2.268	79.622	2.6	5.543	**79.622**

	66			66			05		
7	.811	1.725	81.347						
8	.613	1.305	82.652						
9	.575	1.224	83.875						
10	.546	1.162	85.037						
11	.466	.991	87.149						
12	.457	.973	88.121						
13	.366	.778	91.439						
14	.330	.702	92.141						
15	.157	.333	97.761						
16	.137	.291	98.052						
17	.031	.066	99.942						
18	.027	.058	100.00						
Extraction Method: Principal Component Analysis.									

Exploratory Analysis:
The researcher conducted exploratory factor analysis to check the unidimentionality in the model. The results are presented in the following Table –5.

Table-5 Exploratory analysis

Rotated Component Matrix[a]					
	Components				
	1	2	3	4	5
AF2	0.76				
AF3	0.73				
AF$	0.73				
AF5	0.73				
AF1	0.73				
AF6	0.7				
TOB1		0.8			
TOB3		0.79			
TOB4		0.69			
TOB2		0.69			

TOB5		0.66			
TOI1			0.85		
TOI2			0.8		
TOI3			0.77		
TOI4			0.73		
LKFS1				0.92	
LKFS2				0.89	
LKFS3				0.85	
LKFS4				0.81	
PC1					0.83
PC2					0.79
PC3					0.59
PC4					0.55

Table 6: Respondent's Demographic Profiles

Demographic Description		**Frequency**	**Percentage**	**Mean**	**SD**
Gender	Male	516	68.8	-	-
	Female	234	31.2		
Age	25-35 Years	200	26.67	36.06	11.47
	35-45 Years	300	40		
	45-55 Years	181	24.13		
	Above 55 Years	69	9.2		
Sector	Service Sector	498	66.4	-	-
	Manufacturing Sector	225	30		
	Others	27	3.6		
Span of Experience	0-2 Years	247	32.93	-	-
	2-5 Years	305	40.67		
	5-10 Years	93	12.4		
	Above 10 Years	105	14		
Education	SSC/Diploma	285	38	-	-
	Degree	423	56.4		
	Post-Graduation	42	5.6		

Source: Primary Data

Comparative Analysis between Micro, Small and Medium Enterprises

The researcher collected totally 750 samples from all the micro, small and medium enterprises. There are 250 samples are equally drawn from three divisions of enterprises. The detailed analysis is presented in the Table 13.

Analysis on Micro Industries

Hypothesis: TOI, TOB, PC, LKFS will not have significant effect on Availing of Finance
The hypothesis of relationship between TOI, TOB, PC, LKFS and Availing of Finance were tested using simple linear regression (Hendro et al., 2019). The regression results shown in Table 7 revealed that the predictor variables contribute significantly and had moderate impact on the Availing of Finance (R^2 values are 0.339, 0.142,0.174, 0.072). The corresponding ANOVA value (F values are 127.257, 41.044, 52.225, 19.148; p values are 0.000) for the regression models had indicated the validation with Availing of Finance (Hendro et al., 2019).

Table 7 Regression Model Summaries for the Type of Industry on Availing of Finance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	ANOVA Results	
					F-Value	P-Value.
TOI	0.435[a]	0.435	0.339	0.41324	127.257	0.000
TOB	0.168[a]	0.152	0.142	0.26663	41.044	0.000
PC	0.398[a]	0.158	0.174	0.36497	52.225	0.000
LKFS	0.095[a]	0.081	0.072	0.58619	19.148	0.000

a. Predictors: (Constant), TOI,TOB,PC, LKFS

The coefficient summary shown in Table 8 revealed that beta values of TOI, TOB, PC, LKFS (β values are 0.419, 0.442, -0.483, -0.268; t values are 11.281, 6.407, -7.227, -4.376; p values are 0.000) was significant predictor of Availing of Finance. The results were implicit that predictor variable was related with dependent variable. Hence, null hypothesis was disproved and alternate hypothesis was accepted as their p-values were less than 0.05.
Here the following simple linear regression model
Availing of Finance (Y) =0.124+ 0.419 (Type of Industry) X
Availing of Finance (Y) =1.430+ 0.442 (Tenure of Business) X
Availing of Finance (Y) =0.845- 0.483 (Procedural Complications) X
Availing of Finance (Y) =0.618 – 0.268 (Lack of Knowledge about financial schemes) X

Table 8: Predictor effects and Beta Estimates (Unstandardized) for Availing of Finance associated with the Type of Industry

Model	Variable	Unstandardized Coefficients		Standardized Coefficients	t-Value	P-value.
		B	Std. Error	Beta		
1	(Constant)	0.124	0.076	-	16.238	0.000
	Type of Industry	0.419	0.021	0.523	11.281	0.000
2	(Constant)	1.430	0.164	-	11.557	0.000
	Tenure of Business	0.442	0.038	0.346	6.407	0.000
3	(Constant)	0.845	0.180	-	-10.958	0.000
	Procedural Complications	-0.483	0.042	0.398	-7.227	0.000
4	(Constant)	0.618	0.091	-	37.627	0.000
	Lack of Knowledge about financial schemes	-0.268	0.026	0.247	-4.376	0.000
a. Dependent Variable: Availing of Finance						

Analysis on Small Industries

Hypothesis:TOI, TOB, PC, LKFS will not have significant effect on Availing of Finance
The hypothesis of relationship between TOI, TOB, PC, LKFS and Availing of Finance were tested using simple linear regression. The regression results shown in Table 9 revealed that the predictor variables contribute significantly and had moderate impact on the Availing of Finance (R^2 values are 0.469, 0.130, 0.089, 0.058). The corresponding ANOVA value (F values are 219.292, 37.16, 24.176, 15.286; p value 0.000) for the regression models had indicated the validation with Availing of Finance.

Table 9 Regression Model Summaries for the TOI, TOB, PC, LKFS on Availing of Finance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	ANOVA Results	
					F-Value	P- value.
TOI	0.583[a]	0.573	0.469	0.51572	219.292	0.000
TOB	0.346[a]	0.120	0.130	0.56743	37.160	0.000
PC	0.198[a]	0.158	0.089	0.55497	24.176	0.000
LKFS	0.247[a]	0.061	0.058	0.58619	15.286	0.000

a. Predictors: (Constant), TOI,TOB,PC, LKFS

The coefficient summary shown in Table 10 revealed that beta values of (β values are 0.484, 0.402, -0.315, -0.241; t values are 14.809, 6.096, -4.917, -3.91; p value 0.000) was significant predictor of Availing of Finance. The results were implicit that predictor variables were related with dependent variable. Hence, null hypothesis was disproved and alternate hypothesis was accepted as their p-values were less than 0.05.
Here the following simple linear regression model
Availing of Finance (Y) = 2.824+ 0.484 (Type of Industry) X
Availing of Finance (Y) = 2.430+ 0.402 (Tenure of Business) X
Availing of Finance (Y) = 1.969- 0.315 (Procedural Complications) X
Availing of Finance (Y) = 3.418- 0.241 (Lack of Knowledge about financial schemes) X

Table 10: Predictor effects and Beta Estimates (Unstandardized) for Availing of Finance associated with the TOI, TOB, PC, LKFS

Model	Variable	Unstandardized Coefficients		Standardized Coefficients	t-Value	P-value.
		B	Std. Error	Beta		
1	(Constant)	2.824	0.076	-	37.238	0.000
	Type of Industry	0.484	0.021	0.523	14.809	0.000
2	(Constant)	2.430	0.164	-	14.847	0.000
	Tenure of Business	0.402	0.038	0.346	6.096	0.000
3	(Constant)	1.969	0.180	-	10.958	0.000
	Procedural Complications	-0.315	0.042	0.398	-4.917	0.000
4	(Constant)	3.418	0.091	-	37.627	0.000
	Lack of Knowledge about financial schemes	-0.241	0.026	0.247	-3.910	0.000

a. Dependent Variable: Availing of Finance

Analysis on Medium Industries:

Hypothesis: TOI, TOB, PC, LKFS will not have significant effect on Availing of Finance.

The hypothesis of relationship between TOI, TOB, PC, LKFS and Availing of Finance were tested using simple linear regression. The regression results shown in Table 23 revealed that the predictor variables contribute significantly and had moderate impact on the Availing of Finance (R^2 values are 0.268, 0.148, 0.203, 0.076). The corresponding ANOVA value (F values are 90.752, 43.106, 63.308, 20.463; p value 0.000) for the regression models had indicated the validation with Availing of Finance.

Table 11 Regression Model Summaries for the TOI, TOB, PC, LKFS on Availing of Finance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	ANOVA Results	
					F-Value	P- value.
TOI	0.523[a]	0.273	0.268	0.51572	90.752	0.000
TOB	0.346[a]	0.220	0.148	0.56743	43.106	0.000
PC	0.398[a]	0.258	0.203	0.55497	63.308	0.000
LKFS	0.247[a]	0.081	0.076	0.58619	20.463	0.000

a. Predictors: (Constant), TOI,TOB,PC, LKFS

The coefficient summary shown in Table 12 revealed that beta values of TOI, TOB, PC, LKFS (β values are 0.377, 0.438, -0.451, -0.213; t values are 9.526, 6.566, -7.957, -4.524; p value 0.000) was significant predictor of Availing of Finance. The results were implicit that predictor variable was related with dependent variable. Hence, null hypothesis was disproved and alternate hypothesis was accepted as their p-values were less than 0.05.

Here the following simple linear regression model

Availing of Finance (Y) = 2.824+ 0.377 (Type of Industry) X

Availing of Finance (Y) = 2.430+ 0.438 (Tenure of Business) X

Availing of Finance (Y) = 1.969 - 0.451 (Procedural Complications) X

Availing of Finance (Y) = 3.418- 0.213 (Lack of Knowledge about financial schemes) X

Table 12: Predictor effects and Beta Estimates (Unstandardized) for Availing of Finance associated with the TOI, TOB, PC, LKFS

Model	Variable	Unstandardized Coefficients		Standardized Coefficients	t-Value	P-value.
		B	Std. Error	Beta		
1	(Constant)	2.824	0.076	-	37.238	0.000
	TOI	0.377	0.021	0.523	9.526	0.000
2	(Constant)	2.430	0.164	-	14.847	0.000
	TOB	0.438	0.038	0.346	6.566	0.000
3	(Constant)	1.969	0.180	-	10.958	0.000
	PC	-0.451	0.042	0.398	-7.957	0.000
4	(Constant)	3.418	0.091	-	37.627	0.000
	LKFS	-0.213	0.026	0.247	-4.524	0.000
a. Dependent Variable: Availing of Finance						

Table: 13 Comparative analyses between Micro, Small and Medium Enterprises

Type of Organization	Factors	R^2	F-Value	Beta Coefficient	t-Value	P- value
Micro	TOI	0.339	127.257	0.419	11.281	0.000
	TOB	0.142	41.044	0.442	6.407	0.000
	PC	0.174	52.225	-0.483	-7.227	0.000
	LKFS	0.072	19.148	-0.268	-4.376	0.000
Small	TOI	0.469	219.292	0.484	14.809	0.000
	TOB	0.13	37.16	0.402	6.096	0.000
	PC	0.089	24.176	-0.315	-4.917	0.000
	LKFS	0.058	15.286	-0.241	-3.910	0.000
Medium	TOI	0.268	90.752	0.377	9.526	0.000
	TOB	0.148	43.106	0.438	6.566	0.000
	PC	0.203	63.308	-0.451	-7.957	0.000
	LKFS	0.076	20.463	-0.213	-4.524	0.000

4. CONCLUSION AND FINDINGS OF THE STUDY:

This study highlighted some of the empirical considerations for the MSME entrepreneur's perception towards the availing the finance. Better understanding of the MSMEs perception will give the clear idea for the modern entrepreneurs to make them understand the phenomenon in availing the finance from different financial bodies. In addition, the study has expanded the body of knowledge by exploring and examining the impact of availing finance in MSME sector. Finally, given the absence of published academic literature relating to the perception towards availing finance, this study may serve as a departure point for future studies in this area of concern.

Results from this study would provide information to help entrepreneurs to evaluate the challenges faced by the entrepreneurs to accessing the fiancé to enhance the sustainability. The findings also helpful to the entrepreneurs to build the risk reduction strategies (i.e. financial, psychosocial, time & convenience loss, etc.) and taking appropriate measures to attend all classes of task definitions (i.e. urgent purchase, regular, bulk, get ideas, etc.) by increasing the production efficiency.

It is observed that the procedural complications are high in medium enterprises compared to micro and small organizations. Hence, the finance organizations suggested revamping their procedures for availing finance.The micro and small entrepreneurs didn't have proper knowledge over availing finance when compared to medium size organizations. Hence, it is suggested to both the bankers and government to provide necessary orientation to the micro and small organizations. The difficulty in documentation is very high in the medium size enterprises when compared to micro and small organizations. Hence, suggested to the financial organizations to make the documentation easy.

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