

MSMEs AND THE COMMERCIAL BANKS: A CASE STUDY OF MSMEs OF HARYANA STATE

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Abstract: The study aims to collect the opinions of the MSMEs owners or managers towards the banking facilities which are being provided by the commercial banks to the MSMEs. The area of the study was Haryana State, and the method of data collection of primary data through survey approach. The sample size of the study was 282 MSMEs, out of that 9 Medium scale industries, 102 small scale industries and 171 micro or cottage industries were taken. Researcher has used the one-way Anova to test the difference in the satisfaction level of MSMEs towards the financing facilities of the commercial banks. Conclusively, it can be said that the majority of the problems of MSMEs are due to lack of finance, and study showed that the MSMEs are not perceiving the financing facilities of the banks very effective it shows that the nationalized banks are not contributing significantly to the growth of the MSMEs.

Keywords: Commercial banks, Haryana State, Economic growth, MSMEs, Cottage Industries, Financing facilities, Nationalized Banks.

Introduction: MSMEs plays a vital role in the development of the rural economy, and also helps in the balanced regional growth in the country. MSMEs sector has been reflected as a vivacious and vibrant sector in the overall industrial development of Indian economy and this sector also acts as an important device for the growth of the Indian economy through its contribution in many areas such as; employment generation, growth in export, foreign exchange, industrial production and fulfilling the requirement of raw material to heavy and large scale industries in India. India being a developing country, with growing population and growing industries production heavily depends on MSMEs sector for elevation of employment opportunities in the country and to manage the balanced regional growth. The growth of MSMEs promotes entrepreneurial skills, delegation of ownership, abolition of monopoly control in the market place, evasion of concentration of income or wealth and power in the economy and ensure the balanced regional, social, and overall economic progress of the country.

The cost of the capital is lower in MSEM than other large industries and they provide huge employment opportunities in at low cost when compared to the large or heavy industries in the country. MSMEs are responsible for the industrial growth of the rural areas and work as a growth device for the rural areas. MSMEs also ensures the equal distribution of the income or the wealth of the nation. MSMEs are considered as the

complementary industries as the final products of the MSMEs is used as raw material in the other large industries. Thus, their role is complementary in the growth of the industrial development of India. MSMEs are also work as ancillary units and promotes the growth of the other sector of Indian economy.

Main regulatory authority which work for the growth and expansion of the MSMEs in the country is Ministry of MSMEs, which work in coordination with state government, central government, and other department of government. Ministry provide assistance to the MSMEs both existing and potential, in terms of finance, marketing, and training and skill enhancement programs. Ministry also encourage the entrepreneurs for setting up new industries in the rural and backwards zones. Regular training programs are conducted for improving the skills and the qualities of the entrepreneurs and also provide financial and technical assistance to the MSMEs.

MSMED ACT, 2006

MSMED Act came into existence in the year 2006, with a purpose to address all the issues related to the MSMEs, regulatory provisions and the enactment of the policies for the expansion of the MSMEs in the country. This act clearly explains the definition of the MSMEs, or the industries which come under the MSMEs sector on the basis of the capital investment in the business and the man power of the industries. This act was specially made to facilitate the growth and eradicating all the hurdles or the problems of the MSMEs. Increasing competitiveness in the sector was also one of the major aim of the MSMED act. First time, the legal framework was introduced for the MSME sector in India by establishing the MSMED act. Under this act, the concept of 'enterprise' was recognized legally for the industries which are in service sector and the production sector. Medium enterprise have been defined under three different types of industries on the basis of their capital and the manpower requirement. These are mainly; micro, small and medium enterprises which together comprises as MSMEs sector of India. Ministry has set up a proper legal mechanism for the consultation services to the three types of industries at central, and state level. These consultative committee includes the government officials, financial or development institutions and various major stakeholders from all the three types of industries. This statutory committee provides both the consultation and the advisory services for the development of the micro, small and medium enterprises. The major features of the MSME act were to enhance the competitiveness of the MSMEs, allocation of funds, provision of the funds for the assistance to MSMEs, launching new schemes and subsidies to the MSMEs, credit policies, establishment of the development banks, or the financial institutions for providing credit to the MSMEs, policy for procurement of the products from the MSMEs by the public sector organizations, effective loan payment mechanisms and assistance in termination of a unit easily, or help to the sick units.

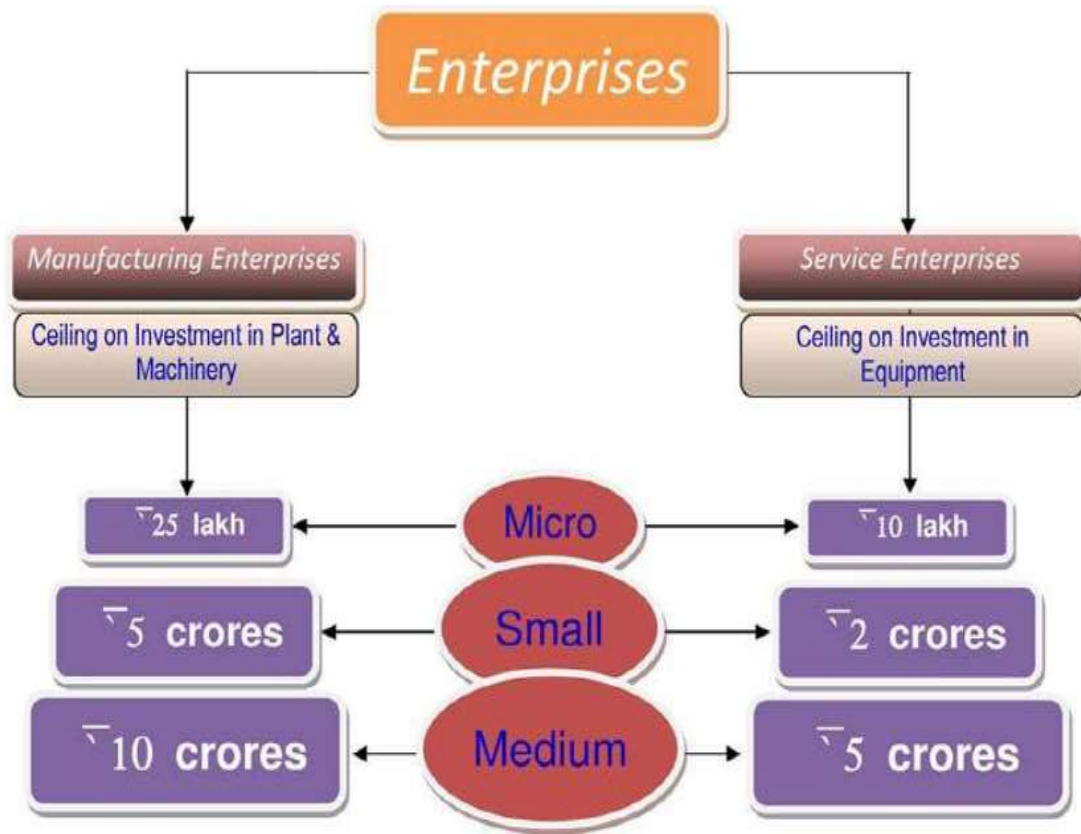


Figure 1: Classification of MSMEs as per MSMED Act, 2006

Later in the year 2007, government merged the two ministries (Ministry of Agro and Rural industries and Small scale industries) and form a new ministry which is working currently for the growth of this sector. All the policies, regulations and the facilities related to the MSMEs are controlled and managed by the Ministry of Micro, small and medium enterprises. All the projects and schemes are framed and approved by this ministry, in order to facilitate the speedy and consistent growth of the MSMEs and also to scale up the production and the technology of the MSMEs. As per the MSMED Act 2006, the criteria for the micro, small and medium enterprises was as follows:

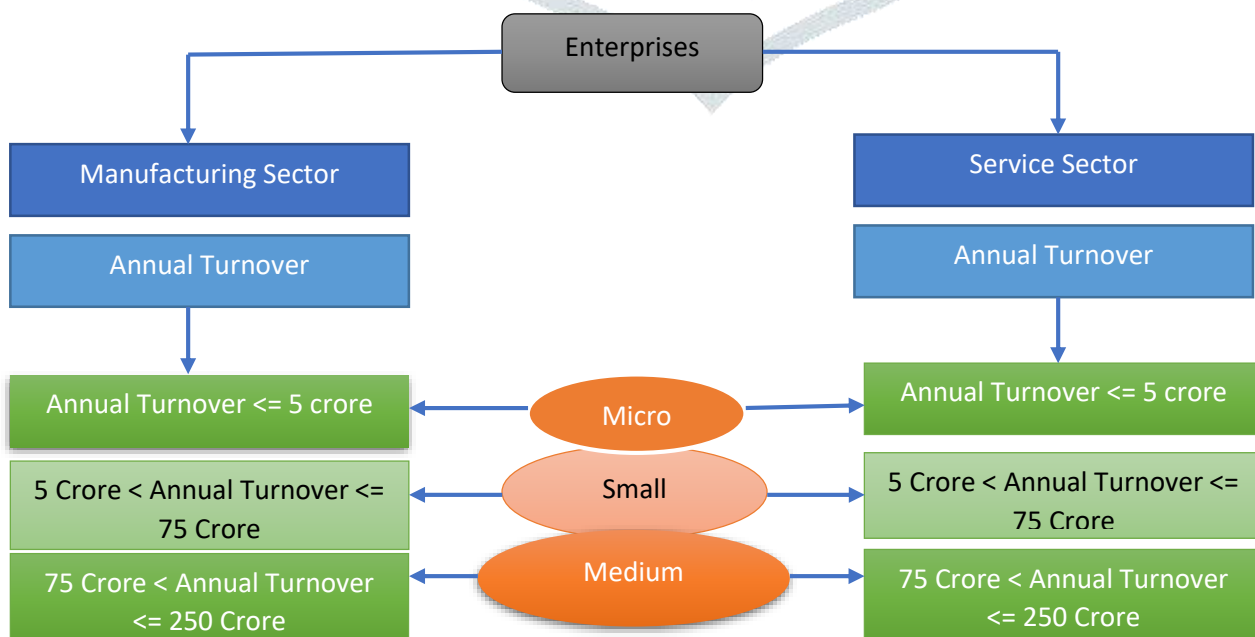


Figure 2: Classification of MSMEs as per Amendment in MSMED Act, 2006

According to the MSMED Act, 2006 the criteria for classification of the micro, small and medium enterprises was based on the investment in the plant, machinery or the equipment but in the year 2018, government has made changes in the criteria of classification of micro, small and medium enterprises. Government has made an amendment in the section 7 of this act and the criteria for the classification got changed. Now these industries will be classified on the basis of annual turnover instead of investment ceiling and same criteria will be applicable on the service and manufacturing companies. Minimum and maximum limit for the annual turnover will be 5 crores to 25 crores for the MSMEs.

Review of Literature:

Bala Subrahmanya (2004) The Researcher underlined that the strategy of globalization and liberalization had open new openings and commercial advantages for the small scale industries sector. The author recommended that the concentration must be swung to innovation advancement and support of financial framework to make Indian small industry overall aggressive and add to national income and employment. Bargal et al. (2009) analysed the relationship among the three factors GDP, SSI yield and SSI exports and furthermore have looked at the performance parameters of SSIs in the pre and post liberalization period. The investigation found that the yearly average growth rate of various parameters of SSIs have declined in the time of nineties versus the pre-reform years. There is a lack of any lead-slack causal connection amongst exports and production in small scale sector and GDP of Indian economy. Bhavani, T.A. (2011) uncovers that how the all facets of the MSME'S (Employment, leading area of MSME'S, Investment in settled resources) being change in present day viewpoint. The innovative technological headway and assurance of MSME'S through different subsidy schemes and liberal accessibility of credit will be an incredible help. Bhatendra Kumar Gupta (2008) In India, the MSME sector is the second biggest employer after agriculture. With the development in the Indian Economy it is of requirement for the MSME to raise capital is ending up progressively difficult. He says that there is a requirement for the devoted stock Exchange for the MSME sector to take into account their necessities better which are unique in relation to the large enterprises. Chattopadhyay (1995) with the assistance of primary and secondary data talked about the causes and arrangements of industrial sickness in India. By utilizing different mathematical and statistical tools like financial ratios and multiple regressions, it has been watched that sick industrial units have been experiencing managerial inefficiency, demand recession, obsolete plant and machinery and labour problems. Among these issues, it has been discovered that efficiency of management is the most genuine one, trailed by demand recession or market imperatives. Further, study infers that reasons for sickness of small scale industries are not quite the same as those of large industries. Small scale sector is being denied of financial assistance by the financial institutions, they lend them just when the security of their advance is ensured. Study made experimental examination particularly for textile and engineering goods industries and finished up by proposing that simple proposals and approval of policies isn't sufficient unless appropriate application is guaranteed. Along these lines, government should find a way to handle the issue. Dallago and McIntyre (2003) state that MSMEs are not themselves sufficient for growth without the proper development of institutions and support structures. Dinesha (2008) depicted the significance of MSMEs and its commitment to social economic development aims like labour absorption, income distribution, rural development, poverty eradication, regional

balance and advancement of entrepreneurship. The fundamental finding of the investigation was industry and government offices can assume a huge part in imparting knowledge to small scale units about the adjustments in the business scenario and the need of going in for innovative enhancement to prevail in the period of globalization and liberalization, WTO regime and with the recession in United State economies and European Union from one viewpoint and consistently expanding rivalry. Ethiopia (1984) assessed the significance of small scale enterprises for giving employment and income generation in the African nations. The focal point of the investigation is on the examination of productivity of production and work and results demonstrated that the artisan and small scale industrial sector are essential part of the Ethiopian economy as far as income and employment are concerned. The experimental confirmation of factor intensity and production additionally shows that numerous small enterprises are effective in using scarce resource like capital and foreign exchange. Small scale industries have adequate demand for their items, and fortifying of the linkage between small scale industry and the agriculture sector is essential. The examination uncovered that institutional, social and economic imperatives hinder the advancement of this sector. Ganguly (1988) considered the execution, strategies, issues and prospects of the small scale industrial sector. The study clarified that in spite of energetic endeavours being made to advance the small scale enterprises as an issue of cognizant strategy choice, the sector suffers from different issues, for example, deficient accessibility of raw materials, insufficiency of financial help, and absence of powerful marketing and infringement of the regions held for small scale businesses by large and medium segment. It has been recommended that momentous advancement of the small scale segment would help in a sound, expedient and energetic development of medium and large scale sector coming about into additionally reinforcing the linkages between these sectors. Ganpathy (1986) in his research suggested that for the removal of sickness not only financial assistance is required along with financial assistance banks should also give technical and marketing assistance so as to improve sickness. Habib (1972) through his research arrived at the conclusion that small scale industries assume a vital part in the economic development by giving various opportunities of creation of income and enhancing the way of life of the majority. He additionally accentuated that it is just the small scale sector through which economic prosperity can achieve the remotest areas of the general society. From the earliest starting point since the activity of economic development began, the small scale sector has been good employment opportunities to a large number of job seekers in the country. Further, small scale industries local raw materials; utilize native individuals and in this manner help in creating employment opportunities. Jain (1980) examined the expanding role of small scale industries in industrial structure of the nation alongside export capability of small scale industries. The different measures embraced by the government agencies, for example, direction arrangement, financial help, and export house scheme and so on to build up the development of the consortia for the advantage of the small industries have additionally been communicated. It has been watched that the operational consequences of existing consortia may not be extremely considerable but rather reassuring. In this manner, a capability of development of such consortia looks enormously positive.

Objective: Current study aims to measure the satisfaction level of the MSMEs towards the banking facilities of the commercial banks of India.

Research Methodology: The study was conducted on the MSMEs and the commercial banks of India. The study aims to collect the opinions of the MSMEs owners or managers towards the banking facilities which are being provided by the commercial banks to the MSMEs. The area of the study was Haryana State, and the method of data collection of primary data through survey approach. The sample size of the study was 282 MSMEs, out of that 9 Medium scale industries, 102 small scale industries and 171 micro or cottage industries were taken. Researcher has used the one-way Anova to test the difference in the satisfaction level of MSMEs towards the financing facilities of the commercial banks.

Hypothesis: Medium, Small and Micro industries are equally satisfied towards the banking facilities of the commercial banks.

Findings and Discussions:

The first section shows the reliability analysis of the questionnaire developed for MSMEs.

Table 1: Reliability Analysis

Description	Number of statements	Number of Respondents	Alpha value	Remarks for Reliability
Questionnaire for MSMEs	90	282	0.856	Good (.8 to .9)

Interpretation: It can be interpreted from the Cronbach Alpha test, the value of alpha lies between 0.8 to 0.9, hence it is considered as the reliable instrument and can be used for analysis. Higher value of alpha shows that there is a consistency in the responses of the MSMEs and data is reliable.

PROFILE OF MSMEs

This section explains the profile of the MSMEs surveyed during current study. The profile includes type of organization, nature of business, number of employees and the form or ownership of the organisation. Results have been shown using frequency tables and percentage method. Total number of MSMEs surveyed during current study were 282, and one respondents from each MSMEs either the owner or manager of the firm participated in the survey. Hence, the number of respondents and the number of MSMEs are equal in current study.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Medium	9	3.2	3.2	3.2
	Small	102	36.2	36.2	39.4
	Micro	171	60.6	60.6	100.0
	Total	282	100.0	100.0	

Interpretation: Table 2 shows the proportion of the respondents from medium, micro and small enterprises in the total number of respondents. It can be seen from frequency table that majority of the respondents i.e. 60.6 percent of the total respondents, were from micro industries, followed by small enterprises. While only 3.2

percent of the respondents were from medium enterprises. The reason behind this proportion is the percentage of medium enterprises operating in Haryana State is very few, while the percentage of micro industries are very high and moderate percentage of small industries.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Service	90	31.95	31.95	31.95
	Manufacturing	192	68.05	68.05	100
	Total	282	100	100	

Interpretation: Table 3 shows the nature of the business of medium, micro and small enterprises who have participated in the survey. It can be seen from frequency table that majority of the MSMEs surveyed i.e. 68.05 percent, were involved in manufacturing business, while 31.95 percent of the MSMEs were providing services.

			Nature of business		Total
			Service	Manufacturing	
Type of organization	Medium	Count	0	9	9
		% within Type of organization	0%	100.0%	100.0%
	Small	Count	36	66	102
		% within Type of organization	35.3%	64.7%	100.0%
	Micro	Count	83	88	171
		% within Type of organization	48.5%	51.5%	100.0%
Total	Count	126	156	282	
	% within Type of organization	44.7%	55.3%	100.0%	

Interpretation: Cross tabulation of the type of organization and nature of business shows that all the medium industries surveyed during current study were in manufacturing business, similarly; in small and micro industries majority of the firms were involved in manufacturing business.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than ten	134	47.5	47.5	47.5
	10 to 20	86	30.5	30.5	78.0
	20 to 50	52	18.4	18.4	96.5
	Above 50	10	3.5	3.5	100.0
	Total	282	100.0	100.0	

Interpretation: Table 5 shows the number of employees working in the MSMEs who were surveyed during current study. It was found that majority of the MSMEs surveyed in current study i.e. 47.5 percent, have less than ten employees working in their firms, followed by the MSMEs where the number of employees are between ten to twenty. While only 3.5 percent of the total MSMEs were those where more than fifty employees were working.

			Number of Employees				Total
			Less than ten	10 to 20	20 to 50	Above 50	
Type of organization	Medium	Count	0	0	0	9	9
		% within Type of organization	0.0%	0.0%	0.0%	100.0%	100.0%
	Small	Count	4	56	41	1	102
		% within Type of organization	3.9%	54.9%	40.2%	1.0%	100.0%
	Micro	Count	130	30	11	0	171
		% within Type of organization	76.0%	17.5%	6.4%	0.0%	100.0%
Total	Count	134	86	52	10	282	
	% within Type of organization	47.5%	30.5%	18.4%	3.5%	100.0%	

Interpretation: Cross tabulation of the type of organization and number of employees shows that in all the medium industries surveyed during current study were having more than 50 employees, while in small industries majority of the firms were having ten to twenty employees and only there is only one small scale industry where more than 50 employees were working. In micro industries, the number of employees in majority of the firms is less than ten and no micro industry is there where more than 50 employees were working.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Sole proprietorship	185	65.6	65.6	65.6
	Partnership	50	17.7	17.7	83.3
	HUF	43	15.2	15.2	98.6
	Private Limited	4	1.4	1.4	100.0
	Total	282	100.0	100.0	

Interpretation: Table 7 shows the form or ownership of the MSMEs surveyed during current study. It was found that majority of the MSMEs i.e. 65.6 percent were sole proprietorship firms, followed by the MSMEs which are partnership firms. While 1.4 percent of the total MSMEs surveyed during current study were Private limited firms.

			Form of organization				Total
			Sole proprietorship	Partnership	HUF	Private Limited	
Type of organization	Medium	Count	0	5	0	4	9
		% within Type of organization	0.0%	55.6%	0.0%	44.4%	100.0%
	Small	Count	44	39	19	0	102
		% within Type of organization	43.1%	38.2%	18.6%	0.0%	100.0%
	Micro	Count	141	6	24	0	171
		% within Type of organization	82.5%	3.5%	14.0%	0.0%	100.0%
Total	Count	185	50	43	4	282	
	% within Type of organization	65.6%	17.7%	15.2%	1.4%	100.0%	

Interpretation: Cross tabulation of the type of organization and form of organization shows that all the medium industries surveyed during current study were either partnership firms or private limited companies only, while in small industries majority of the firms were sole proprietorship firms and none of the small scale industries was formed as private limited company. Similarly; in micro industries majority of the firms were sole proprietorship firms and none of the micro industries was formed as private limited company.

Overall, it can be said that majority of the MSMEs surveyed during current study were micro industries, involved in manufacturing business, having less than ten employees and operating as sole proprietorship firms.

SATISFACTION TOWARDS BANK FINANCING FACILITIES

This section discusses the satisfaction level of MSMEs who have availed the financing from nationalized banks in the form of working capital finance, bank guarantee, letter of credit, bill discounting, bank overdraft and venture capital finance. Satisfaction of the MSMEs have been measured using five-point scale which ranges from very satisfied to very dissatisfied. Analysis have been done using frequency tables, descriptive analysis and one-way Anova has been used to measure the difference in the satisfaction level of the three types of industries Micro, medium and small towards the various types of financing facilities availed from nationalized banks.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Dissatisfied	10	3.5	12.0	12.0
	Dissatisfied	20	7.1	24.1	36.1
	Neutral	16	5.7	19.3	55.4
	Satisfied	28	9.9	33.7	89.2
	Very satisfied	9	3.2	10.8	100.0
	Total	83	29.4	100.0	
Not availed by MSMEs		199	70.6		
Total		282	100.0		

Interpretation: Table 9 shows the level of satisfaction of MSMEs towards the working capital finance against inventory, from nationalized banks. It was found that majority of the MSMEs i.e. 33.7 percent were found to be satisfied towards the working capital financing facility of the nationalized banks, followed by the MSMEs who were found to be dissatisfied towards the working capital financing facility of the nationalized banks. While only 10.8 percent of the total MSMEs who have availed working capital financing facility of the nationalized banks, were found to be very satisfied. Hence, overall it can be said that the MSMEs are satisfied towards the working capital financing facility of the nationalized banks.

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Medium	2	3.0000	.00000	.00000	3.0000	3.0000	3.00	3.00
Small	28	3.1071	1.37003	.25891	2.5759	3.6384	1.00	5.00
Micro	53	3.0566	1.18346	.16256	2.7304	3.3828	1.00	5.00
Total	83	3.0723	1.22756	.13474	2.8042	3.3403	1.00	5.00

Interpretation: Descriptive analysis shows that the highest mean value i.e. 3.10, for the satisfaction towards 'working capital finance' facility of nationalized banks was of small scale industries followed by micro industries. While the lowest mean value i.e. 3.00 for the satisfaction towards 'working capital finance' facility of nationalized banks was of medium scale industries. Hence, the satisfaction level was found to be higher among small industries, moderate among micro industries and lowest among medium enterprises towards the working capital finance facility of nationalized banks.

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	.058	2	.029	.019	.982
Within Groups	123.509	80	1.544		
Total	123.566	82			

Interpretation: Table 11 shows the results of one-way Anova for the variable 'working capital finance'. It was found that the f value was 0.019 (83, 2, 80), at a p-value of 0.982, which shows that f value is insignificant. It

signifies that there is an insignificant difference in the mean value of satisfaction level of medium, micro and small industries towards the working capital finance facility provided by nationalized banks.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Dissatisfied	3	1.1	13.6	13.6
	Neutral	4	1.4	18.2	31.8
	Satisfied	10	3.5	45.5	77.3
	Very satisfied	5	1.8	22.7	100.0
	Total	22	7.8	100.0	
Not availed by MSMEs		260	92.2		
Total		282	100.0		

Interpretation: Table 12 shows the level of satisfaction of MSMEs towards the bank guarantee facility provided by nationalized banks. It was found that majority of the MSMEs i.e. 45.5 percent were found to be satisfied towards the bank guarantee facility provided by nationalized banks, followed by the MSMEs who were found to be very satisfied towards the bank guarantee facility provided by nationalized banks. While only 13.6 percent of the total MSMEs who have availed bank guarantee facility from nationalized banks, were found to be dissatisfied. Hence, overall it can be said that the MSMEs are satisfied towards the bank guarantee facility provided by nationalized banks.

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Medium	2	4.0000	.00000	.00000	4.0000	4.0000	4.00	4.00
Small	8	3.8750	.64087	.22658	3.3392	4.4108	3.00	5.00
Micro	12	3.6667	1.23091	.35533	2.8846	4.4488	2.00	5.00
Total	22	3.7727	.97257	.20735	3.3415	4.2039	2.00	5.00

Interpretation: Descriptive analysis shows that the highest mean value i.e. 4.00, for the satisfaction towards 'bank guarantee' facility of nationalized banks was of medium scale industries followed by small industries. While the lowest mean value i.e. 3.66 for the satisfaction towards 'bank guarantee' facility of nationalized banks was of micro industries. Hence, the satisfaction level was found to be higher among medium industries, moderate among small industries and lowest among micro enterprises towards the bank guarantee facility of nationalized banks.

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	.322	2	.161	.157	.856
Within Groups	19.542	19	1.029		
Total	19.864	21			

Interpretation: Table 14 shows the results of one-way Anova for the variable ‘bank guarantee’. It was found that the f value was 0.157 (22, 2, 19), at a p-value of 0.856, which shows that f value is insignificant. It signifies that there is an insignificant difference in the mean value of satisfaction level of medium, micro and small industries towards the bank guarantee facility provided by nationalized banks.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Dissatisfied	11	3.9	39.3	39.3
	Neutral	3	1.1	10.7	50.0
	Satisfied	13	4.6	46.4	96.4
	Very satisfied	1	.4	3.6	100.0
	Total	28	9.9	100.0	
Not availed by MSMEs		254	90.1		
Total		282	100.0		

Interpretation: Table 15 shows the level of satisfaction of MSMEs towards the letter of credit facility provided by nationalized banks. It was found that majority of the MSMEs i.e. 46.4 percent were found to be satisfied towards the letter of credit facility provided by nationalized banks, followed by the MSMEs who were found to be dissatisfied towards the letter of credit facility provided by nationalized banks. While only 3.6 percent of the total MSMEs who have availed letter of credit facility from nationalized banks, were found to be very satisfied. Hence, overall it can be said that the MSMEs are satisfied towards the letter of credit facility provided by nationalized banks.

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Medium	2	4.0000	.00000	.00000	4.0000	4.0000	4.00	4.00
Small	12	3.0000	1.04447	.30151	2.3364	3.6636	2.00	4.00
Micro	14	3.1429	1.02711	.27451	2.5498	3.7359	2.00	5.00
Total	28	3.1429	1.00791	.19048	2.7520	3.5337	2.00	5.00

Interpretation: Descriptive analysis shows that the highest mean value i.e. 4.00, for the satisfaction towards ‘letter of credit’ facility of nationalized banks was of medium scale industries followed by micro industries. While the lowest mean value i.e. 3.00 for the satisfaction towards ‘letter of credit’ facility of nationalized banks was of small industries. Hence, the satisfaction level was found to be higher among medium industries, moderate among micro industries and lowest among small enterprises towards the letter of credit facility of nationalized banks.

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1.714	2	.857	.833	.446
Within Groups	25.714	25	1.029		
Total	27.429	27			

Interpretation: Table 17 shows the results of one-way Anova for the variable 'letter of credit'. It was found that the f value was 0.833 (28, 2, 25), at a p-value of 0.446, which shows that f value is insignificant. It signifies that there is an insignificant difference in the mean value of satisfaction level of medium, micro and small industries towards the letter of credit facility provided by nationalized banks.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Dissatisfied	17	6.0	15.9	15.9
	Dissatisfied	27	9.6	25.2	87.9
	Neutral	16	5.7	15.0	62.6
	Satisfied	34	12.1	31.8	47.7
	Very satisfied	13	4.6	12.1	100.0
	Total	107	37.9	100.0	
Not availed by MSMEs		175	62.1		
Total		282	100.0		

Interpretation: Table 18 shows the level of satisfaction of MSMEs towards the bank overdraft facility provided by nationalized banks. It was found that majority of the MSMEs i.e. 46.4 percent were found to be satisfied towards the bank overdraft facility provided by nationalized banks, followed by the MSMEs who were found to be dissatisfied towards the bank overdraft facility provided by nationalized banks. While only 12.1 percent of the total MSMEs who have availed bank overdraft facility from nationalized banks, were found to be very satisfied. Hence, overall it can be said that the MSMEs are satisfied towards the bank overdraft facility provided by nationalized banks.

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Medium	9	3.5556	.72648	.24216	2.9971	4.1140	2.00	4.00
Small	68	2.4559	1.20241	.14581	2.1648	2.7469	1.00	5.00
Micro	30	3.5667	1.27802	.23333	3.0894	4.0439	1.00	5.00
Total	107	2.8598	1.29912	.12559	2.6108	3.1088	1.00	5.00

Interpretation: Descriptive analysis shows that the highest mean value i.e. 3.56, for the satisfaction towards 'bank overdraft' facility of nationalized banks was of micro industries followed by medium industries. While the lowest mean value i.e. 2.45 for the satisfaction towards 'bank overdraft' facility of nationalized banks was of small micro industries. Hence, the satisfaction level was found to be higher among micro industries, moderate

among medium industries and lowest among small enterprises towards the bank overdraft facility of nationalized banks.

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	30.441	2	15.220	10.662	.000
Within Groups	148.457	104	1.427		
Total	178.897	106			

Interpretation: Table 20 shows the results of one-way Anova for the variable 'bank overdraft'. It was found that the f value was 10.662 (107, 2, 104), at a p-value of 0.000, which shows that f value is significant. It signifies that there is a significant difference in the mean value of satisfaction level of medium, micro and small industries towards the bank overdraft facility provided by nationalized banks.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Dissatisfied	6	2.1	10.0	10.0
	Dissatisfied	14	5.0	23.3	33.3
	Neutral	10	3.5	16.7	50.0
	Satisfied	24	8.5	40.0	90.0
	Very satisfied	6	2.1	10.0	100.0
	Total	60	21.3	100.0	
Not availed by MSMEs		222	78.7		
Total		282	100.0		

Interpretation: Table 21 shows the level of satisfaction of MSMEs towards the bill discounting facility provided by nationalized banks. It was found that majority of the MSMEs i.e. 40 percent were found to be satisfied towards the bill discounting facility provided by nationalized banks, followed by the MSMEs who were found to be dissatisfied towards the bill discounting facility provided by nationalized banks. While only 10 percent of the total MSMEs who have availed bill discounting facility from nationalized banks, were found to be very satisfied and very dissatisfied. Hence, overall it can be said that the MSMEs are satisfied towards the bill discounting facility provided by nationalized banks.

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Medium	7	3.4286	.97590	.36886	2.5260	4.3311	2.00	4.00
Small	42	3.0000	1.32518	.20448	2.5870	3.4130	1.00	5.00
Micro	11	3.6364	.50452	.15212	3.2974	3.9753	3.00	4.00
Total	60	3.1667	1.19557	.15435	2.8578	3.4755	1.00	5.00

Interpretation: Descriptive analysis shows that the highest mean value i.e. 3.63, for the satisfaction towards 'bill discounting' facility of nationalized banks was of medium scale industries followed by micro industries. While the lowest mean value i.e. 3.00 for the satisfaction towards 'bill discounting' facility of nationalized banks was of small industries. Hence, the satisfaction level was found to be higher among medium industries, moderate among micro industries and lowest among small enterprises towards the bill discounting facility of nationalized banks.

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	4.074	2	2.037	1.447	.244
Within Groups	80.260	57	1.408		
Total	84.333	59			

Interpretation: Table 23 shows the results of one-way Anova for the variable 'bill discounting'. It was found that the f value was 1.447 (60, 2, 57), at a p-value of 0.244, which shows that f value is insignificant. It signifies that there is an insignificant difference in the mean value of satisfaction level of medium, micro and small industries towards the bill discounting facility provided by nationalized banks.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Satisfied	5	1.8	100.0	100.0
Not availed by MSMEs		277	98.2		
Total		282	100.0		

Interpretation: Table 24 shows the level of satisfaction of MSMEs towards the venture capital financing facility provided by nationalized banks. It was found that only 1.8 percent of the MSMEs have availed the venture capital financing facility from nationalized banks and all the MSMEs were found to be satisfied towards the venture capital financing facility provided by nationalized banks. Hence, overall it can be said that the MSMEs are satisfied towards the venture capital financing facility provided by nationalized banks.

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Medium	2	4.0000	.00000	.00000	4.0000	4.0000	4.00	4.00
Small	2	4.0000	.00000	.00000	4.0000	4.0000	4.00	4.00
Micro	1	4.0000	4.00	4.00
Total	5	4.0000	.00000	.00000	4.0000	4.0000	4.00	4.00

Interpretation: Descriptive analysis shows that the mean value for the satisfaction towards ‘venture capital finance’ facility of nationalized banks was found to be equal for medium, small and micro industries. It indicates that MSMEs who have availed the venture capital finance facility from nationalized banks are satisfied towards this facility.

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	.000	2	.000	.	.
Within Groups	.000	2	.000		
Total	.000	4			

Interpretation: Table 26 shows the results of one-way Anova for the variable ‘venture capital finance’. As the mean value of satisfaction towards venture capital finance was found to be equal for all the three types of industries, hence f value was not generated and it is visible that there is no difference in the mean value of satisfaction level of medium, micro and small industries towards the venture capital finance provided by nationalized banks.

Conclusion:

Overall, it can be said that there is no significant difference in the satisfaction level of MSMEs towards the various financing facilities of the nationalized banks except bank overdraft, towards which micro industries were found to be highly satisfied and small industries were found to be least satisfied. Thus, overall it can be said that there is a huge growth in the MSMEs sector in India, but still this sector is struggling hard for the sustainability due to lack of marketing facilities, financial resources and the increasing competition from the imported goods and the substituted products from the large scale industries. Among all the problems or challenges which are being faced by the MSMEs in India, the major problem or challenge is the finance. All other problems occur due to the lack or shortage of finance. Thus, it is required to meet the financial need of the MSMEs by setting up the adequate number of financial institutions in the rural areas, providing the finance at low interest rates, using simplified norms for lending money, and easy or simplified process for documentation for obtaining loans from the banks.

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