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FINANCIAL ASSISTANCE AND SUPPORT FOR SMALL SCALE ENTREPRENEURS. (A CASE OF UTTARAKHAND - INDIA)

ABSTRACT: Entrepreneurial activities differ substantially depending on the type of organization and creativity involved. Entrepreneurship ranges in scale from solo projects and even just part-time projects to major undertakings that create many job opportunities. The SSI sector has often been termed the ‘Engine of growth’ for developing economies. Finance has significant impact on the growth of this sector and access finance has a significantly positive impact on growth of the SSI. This research paper has examined the effect of firm characteristics and the mode of finance adopted by the firm on the entrepreneurial development of SSI in Uttarakhand. The firm expansion & financial assistance is found to be a significant factor for small scale entrepreneurial success in Uttarakhand.

Keywords: Firm expansion, Firm characteristics, Entrepreneurial success, SSI.

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INTRODUCTION

Entrepreneurship is one of the common terms used in business, management, economics and other related fields. Entrepreneurship means innovation, creativity, leadership, profit maximization or start of a new business venture. It helps in the process of increasing economic growth, employment generation, increase of national income and also creation of innovation (*Ismailov and Zahid, 2008¹*). Entrepreneurship as an ingredient of economic development is now recognized. The role of finance is very important in the development of entrepreneurship and Micro, Small and Medium Scale Enterprises (MSMEs). Entrepreneurship is not a well-developed component of modern economic theory. Many neoclassical economists find it difficult to reconcile the requirements of rational decision-making with the functions ascribed to entrepreneurship—coordination, arbitrage, innovation, and uncertainty bearing (*Barreto, 1989²*). *Dees and Anderson (2006)³* argued that the concept of social entrepreneurship represents a confluence of two schools of thought i.e., the idea of generating earned (market) income in support of social purposes (e.g. through commercial activity by non-profit organizations) and the undertaking of innovation for social change. A number of financial institutions provide support to entrepreneurs for their innovative and imaginative scheme of activities aimed at skill development for income and employment generation in different sectors. Beside this, society should also support entrepreneurship (*Pandey, Ansari, 2012⁴*). Many entrepreneurs and especially those in small-scale sectors have technology related knowledge to take care of production and quality aspects. They require a lot of guidance and support in the beginning stage and production stage of the industry in various project and business related activities. The important areas they need guidance in are project report preparation, location and layout of plant, selection of men and machinery, competition level, various marketing aspects, various types of finance facilities and Government assistance and subsidies (*Sharma, 2012⁵*). The role of financial institutions in the economic growth process has long been recognized. In India, the special financial institutions have been developed to provide finance assistance for industrial activities in all the regions, so as to sustain equitable industrial growth in the country. Finance is a basic element and a powerful lubricant for industrial and economic development of a country. It is the non-substitutable growth catalyst and facilitates in growth process (*Swargiary, 2012⁶*). (*Brophy & Shulman, 1992⁷*) consider that venture capital is a field which provides the hub between finance and entrepreneurship. Entrepreneurship is about taking risk, and the process of discovering, evaluating and exploiting opportunities (*Okafor, C. L., 2002⁸*). Therefore, Entrepreneur is that kind of person who is

willing to put his career and financial security on the line for an idea, spending his time and capital in an uncertain venture. The future of the entrepreneurial and industrial development of the nation depends to a large extent on the growth and development of the potentials of entrepreneur. Securing funds for a start-up business in its early stages is from internal sources. The funder provides the initial capital along with funds from family and friends (**3Fs**), and the firm also relies on bootstrapping & business alliances. As the firm grows and needs additional capital, it will require external sources of funding i.e., business loan from a bank, government, sponsored programs/grants, professional investors (angel investors, venture capitalists, and corporate investors), initial public offering (IPO) and the equity markets (*Markova, 2009⁹*). Some individuals are more likely to use credit cards to finance their ventures than others. In particular, black entrepreneurs are more likely to finance their ventures using credit cards than white entrepreneurs due to differences in friction encountered when accessing traditional bank loans and external finance (*Blanch flower, Levine, and Zimmerman, 2003¹⁰*).

REVIEW OF LITERATURE

In the study of (*Denis D.J., 2004¹¹*) they reviewed four primary areas of inquiry: (i) alternative sources of capital, (ii) financial contracting issues, (iii) public policy, and (iv) the dynamics of private equity returns. Small firms and new businesses have become an increasingly important component of economic development. (*Lerner, 1994¹²*) reported that although large firms have historically accounted for the majority of jobs created, this pattern was reversed in the 1980s. In the study of (*King, Levine, 1993¹³*) they focused on Financial markets and Economic development. According to them financial system affects the entrepreneurial activities that lead to productivity improvements in four ways. Firstly, financial systems evaluate prospective entrepreneurs and choose the most promising projects. Secondly, financial systems mobilize resources to finance promising projects. Thirdly, financial systems allow investors to diversify the risk associated with uncertain innovative activities and last but not the least, financial system reveals the potential rewards to engage in innovation, relative to continuing to make existing products with existing techniques. Thus, a more-developed financial system fosters productivity improvement by choosing higher quality entrepreneurs and projects, by more effectively mobilizing external financing for these entrepreneurs, by providing superior vehicles for diversifying the risk of innovative activities and by revealing more accurately the potentially large profits associated with

the uncertain business of innovation. (*Roxana Gabriela HODOROGEL, 2011¹⁴*) In Germany, the financial and economic crisis, paradoxically, led to an unexpected development: the interest of individuals in establishing a business, declining in the last years, began to grow. According to the annual report regarding the SMEs, once the crisis was felt in all economic sectors, more and more people turned to counselling services in order to open a business. (*Sanjiv Mittal, Mohinder Kumar and Bhavet, 2011¹⁵*) a strong significant relationship between working capital and profitability has been found in previous research work. Best uses of working capital management in small scale industry increased the liquidity, profitability, and operational efficiency. It indicates that working capital management is of particular importance to the small businessman. (*Beydokhti Abbas Taleb, 2007¹⁶*), author clearly said in his literature that the Small Scale Industry (SSI) sector is a key of economic growth and contributed substantially to India's total industrial production, export and employment generation. As a result, 3.6 million SSI units in the country produce over 8000 items and provide employment to about million people. Small Scale Industry unit have weak capital base of their own because they are mostly organize on proprietary or partnership basis and are usually of very small in size. They are poorly placed in the matter of capital formation. It is the fact that the success or failure of an enterprise to a large extent depends upon the effectiveness with which financial resource of the firms applied and managed. There is positive relationship between a firm's growth and working capital needs. (*Zahra Mousavi and Azam Jari, 2009¹⁷*), Working Capital Management is one of the most important financial decision in corporate. The optimum management of Working Capital will increase the corporate value so the primary goal of research is evaluating relationship between Working Capital Management and corporate performance. We use factors such as return on total assets, return on owner's equity and market value to book value ratio for evaluating corporate performance and net liquidity balance as criterion for evaluating of Working Capital Management and the result shows that there is a positive relationship between Working Capital Management and corporate performance. (*Pandey, Ansari, 2012¹⁸*) in this study they focused on Finance, Financial Institutions, Entrepreneur, Enterprise and Entrepreneurship. (*Kumar, 1999¹⁹*) reported from Bangalore that Canara Bank's Centre for Entrepreneurship Development gives training to women and helps them to set up small industrial units besides providing assistance for marketing their product. The assistance by the government to women entrepreneurship has been provided through various institutions like SIDO, DIC, EDI, NAYE, NISIET, SIDBI, SEF, WCFC and commercial banks etc. (*Pal, 1997²⁰*) conducted a study on Women Entrepreneurship and the need for financial sector reforms found that the lack of affordable credit

from the formal financial sector was the most critical constraint for women entrepreneurship. It was also revealed that women operating a business may approach a local financial institution, most probably the local bank.

OBJECTIVES

The broad objectives of study are as follows:

1. To identify the relationship between business characteristics & the mode of financial assistance for SSI.
2. To examine the relationship between business expansion & mode of business finance.

HYPOTHESIS

H₀: There is no significant relationship between business characteristics & the mode of financial assistance for SSI.

H₀: There is no significant relationship between business expansion & mode of business finance.

RESEARCH METHODOLOGY

The study is based on both the primary and secondary data. The primary data was collected on the basis of questionnaires administered to various Small Scale Industries in the state of Uttarakhand. Two schedules were prepared and pre-tested before administering these on the small scale units. The information was sought from the entrepreneur of Small Scale Industry regarding their background, financial practices and opinions on business infrastructure, institutions and problems etc.

The secondary data was collected from published and unpublished records and reports of the central Government and Government of Uttarakhand. For this purpose, personal visits were made to several organizations of which the following are important:

Uttarakhand Small Industries and Export Corporation, Uttarakhand State Industrial Development Corporation, Labour Commission Uttarakhand, Economics and Statistical Organization Uttarakhand, Director of Industries Uttarakhand, Uttarakhand Small Industries and Export Corporate, Uttarakhand Small Industries Corporation and Economics and Statistical Organization Uttarakhand.

Sample Frame

The units have been selected by using the stratified random Sampling technique. The sample of study is 100 small scale units in Uttarakhand.

The purpose is to highlight the similarities and dissimilarities in the use of finance and to identify the pattern of variation therein.

Tool of Analysis

The data has been analyzed keeping the objective of the study in view. The analysis is finally based on data on several aspects in tabulated form, besides making use of simple descriptive tools of statistics, possible relationship have been brought out through cross sectional analysis wherever necessary and feasible. These relationships have been highlighted by computing the Chi-square test & correlation.

ANALYSIS & INTERPRETATION

Finance is rightly described as the life blood of industry. It is a prerequisite for the mobilization of the real sources for organizing production, balanced industrial development, generation of employment and economic development of the region. Finance is needed at the time of setting up of the industrial unit, expansion, modernization, diversification and running of the industrial unit (*Swargiary, 2012²¹*) examined that entrepreneurs undertake and carry out risky projects and to do that they look for investors willing to finance their projects and thereby share the projects' risk. An entrepreneur is an individual with a project blueprint and limited wealth. Entrepreneurs differ from "hired management" in that they are indispensable for the firm's day-to-day operations. This is because entrepreneurs add value to companies perpetually. The role of finance is very important in the development of entrepreneurship. Schumpeter (1934) suggests that capital is nothing but the level by which the entrepreneur subjects to his control on the concrete goods which he needs, nothing but a means of diverting the factors of production to new uses, or of dictating a new direction of production (*Olukayode, Somoye, 2013²²*).

			Source of capital				Total	Chi-Square	Correlation	
			Owned	Bank	V-capital					
Location of unit	Inside town	Count	24	10	2	36	4.131	.062		
		% within location of unit	66.7%	27.8%	5.6%	100.0%				
		% of Total	24.0%	10.0%	2.0%	36.0%				
	Industrial estate	Count	31	31	2	64				
		% within location of unit	48.4%	48.4%	3.1%	100.0%				
		% of Total	31.0%	31.0%	2.0%	64.0%				
Total		Count	55	41	4	100				
		% within location of unit	55.0%	41.0%	4.0%	100.0%				
		% of Total	55.0%	41.0%	4.0%	100.0%				
			Loan available on time					Total	Chi-square	Correlation
			Always	V often	Occasion	Rarely	Never			
Location of unit	Inside town	Count	0	6	24	2	4	36	13.13	-.305
		% within location of unit	.0%	16.7%	66.7%	5.6%	11.1%	100.0%		
		% of Total	.0%	6.0%	24.0%	2.0%	4.0%	36.0%		
	Industrial estate	Count	18	7	34	2	3	64		
		% within location of unit	28.1%	10.9%	53.1%	3.1%	4.7%	100.0%		
		% of Total	18.0%	7.0%	34.0%	2.0%	3.0%	64.0%		
		Count	18	13	58	4	7	100		
		% within location of unit	18.0%	13.0%	58.0%	4.0%	7.0%	100.0%		
		% of Total	18.0%	13.0%	58.0%	4.0%	7.0%	100.0%		
			Assistance of financial institution					Total	Chi-square	Correlation
			Always	V-often	Occasion	Rarely	Never			
Location of unit	Inside town	Count	0	6	8	4	18	36	24.99	-.444
		% within location of unit	.0%	16.7%	22.2%	11.1%	50.0%	100.0%		
		% of Total	.0%	6.0%	8.0%	4.0%	18.0%	36.0%		
	Industrial estate	Count	22	20	5	3	14	64		
		% within location of unit	34.4%	31.2%	7.8%	4.7%	21.9%	100.0%		
		% of Total	22.0%	20.0%	5.0%	3.0%	14.0%	64.0%		
		Count	22	26	13	7	32	100		
		% within location of unit	22.0%	26.0%	13.0%	7.0%	32.0%	100.0%		
		% of Total	22.0%	26.0%	13.0%	7.0%	32.0%	100.0%		
				Source of capital			Total	Chi-square	Correlation	
		Owned	Bank	V-capital						
	Strong	Count	28	14	4	46				

Increasing size of businesses	gly agree	% within increasing size of business	60.9%	30.4%	8.7%	100.0%	11.13	-.090		
		% of Total	28.0%	14.0%	4.0%	46.0%				
	Agree	Count	9	11	0	20				
		% within increasing size of business	45.0%	55.0%	.0%	100.0%				
		% of Total	9.0%	11.0%	.0%	20.0%				
	Neutral	Count	2	0	0	2				
		% within increasing size of business	100.0%	.0%	.0%	100.0%				
		% of Total	2.0%	.0%	.0%	2.0%				
	Disagree	Count	5	8	0	13				
		% within increasing size of business	38.5%	61.5%	.0%	100.0%				
		% of Total	5.0%	8.0%	.0%	13.0%				
	Strongly disagree	Count	11	8	0	19				
		% within increasing size of business	57.9%	42.1%	.0%	100.0%				
		% of Total	11.0%	8.0%	.0%	19.0%				
Total		Count	55	41	4	100				
		% within increasing size of business	55.0%	41.0%	4.0%	100.0%				
		% of Total	55.0%	41.0%	4.0%	100.0%				
			Assistance of financial institution					Total	Chi-square	Correlation
			Always	v-often	Occasionally	Rarely	Never			
Increasing size of businesses	Strongly agree	Count	16	9	9	0	12	46	51.57	.288
		% within increasing size of business	34.8%	19.6%	19.6%	.0%	26.1%	100.0%		
		% of Total	16.0%	9.0%	9.0%	.0%	12.0%	46.0%		
	Agree	Count	0	12	2	2	4	20		
		% within increasing size of business	.0%	60.0%	10.0%	10.0%	20.0%	100.0%		
		% of Total	.0%	12.0%	2.0%	2.0%	4.0%	20.0%		
	Neutral	Count	0	0	0	0	2	2		
		% within increasing size of business	.0%	.0%	.0%	.0%	100.0%	100.0%		
		% of Total	.0%	.0%	.0%	.0%	2.0%	2.0%		
	Disagree	Count	6	2	0	0	5	13		
		% within increasing size of business	46.2%	15.4%	.0%	.0%	38.5%	100.0%		
		% of Total	6.0%	2.0%	.0%	.0%	5.0%	13.0%		
	Strongly disagree	Count	0	3	2	5	9	19		
		% within increasing size of business	.0%	15.8%	10.5%	26.3%	47.4%	100.0%		
		% of Total	.0%	3.0%	2.0%	5.0%	9.0%	19.0%		
Total		Count	22	26	13	7	32	100		
		% within increasing size of business	22.0%	26.0%	13.0%	7.0%	32.0%	100.0%		
		% of Total	22.0%	26.0%	13.0%	7.0%	32.0%	100.0%		

			Loan available on time					Total	Chi - square	Correlation
			Always	v-often	Occasionally	Rarely	Never			
Increasing size of businesses	Strongly agree	Count	7	6	28	0	5	46	19.57	.144
		% within increasing size of business	15.2%	13.0%	60.9%	.0%	10.9%	100.0%		
		% of Total	7.0%	6.0%	28.0%	.0%	5.0%	46.0%		
	Agree	Count	2	5	9	2	2	20		
		% within increasing size of business	10.0%	25.0%	45.0%	10.0%	10.0%	100.0%		
		% of Total	2.0%	5.0%	9.0%	2.0%	2.0%	20.0%		
	Neutral	Count	0	0	2	0	0	2		
		% within increasing size of business	.0%	.0%	100.0%	.0%	.0%	100.0%		
		% of Total	.0%	.0%	2.0%	.0%	.0%	2.0%		
	Disagree	Count	3	2	8	0	0	13		
		% within increasing size of business	23.1%	15.4%	61.5%	.0%	.0%	100.0%		
		% of Total	3.0%	2.0%	8.0%	.0%	.0%	13.0%		
	Strongly disagree	Count	6	0	11	2	0	19		
		% within increasing size of business	31.6%	.0%	57.9%	10.5%	.0%	100.0%		
		% of Total	6.0%	.0%	11.0%	2.0%	.0%	19.0%		
Total		Count	18	13	58	4	7	100		
		% within increasing size of business	18.0%	13.0%	58.0%	4.0%	7.0%	100.0%		
		% of Total	18.0%	13.0%	58.0%	4.0%	7.0%	100.0%		
					Source of capital			Total	Chi - square	Correlation
					Owned	Bank	v-capital			
Acquire other business in same industry	Strongly agree	Count	10	2	0	12	15.16	.103		
		% within acquire other business in same industry	83.3%	16.7%	.0%	100.0%				
		% of Total	10.0%	2.0%	.0%	12.0%				
	Agree	Count	13	4	2	19				
		% within acquire other business in same industry	68.4%	21.1%	10.5%	100.0%				
		% of Total	13.0%	4.0%	2.0%	19.0%				
	Neutral	Count	2	7	0	9				
		% within acquire other business in same industry	22.2%	77.8%	.0%	100.0%				
		% of Total	2.0%	7.0%	.0%	9.0%				
	Disagree	Count	4	2	0	6				
		% within acquire other business in same industry	66.7%	33.3%	.0%	100.0%				
		% of Total	4.0%	2.0%	.0%	6.0%				
	Strongly	Count	26	26	2	54				
		% within acquire other business in same	48.1%	48.1%	3.7%	100.0%				

	disagree	industry		%		0%			
		% of Total	26.0%	26.0%	2.0%	54.0%			
Total		Count	55	41	4	100			
		% within acquire other business in same industry	55.0%	41.0%	4.0%	100.0%			
		% of Total	55.0%	41.0%	4.0%	100.0%			
		Loan available on time						Chi-square	Correlation
		Always	V-often	Occasionally	Rarely	Never	Total		
Acquire other business in same industry	Strongly agree	Count	3	0	5	0	8	50.82	-.487
		% within acquire other business in same industry	37.5%	.0%	62.5%	.0%	100.0%		
		% of Total	3.0%	.0%	5.0%	.0%	8.0%		
	Agree	Count	6	2	8	2	20		
		% within acquire other business in same industry	30.0%	10.0%	40.0%	10.0%	100.0%		
		% of Total	6.0%	2.0%	8.0%	2.0%	20.0%		
	Neutral	Count	0	2	7	0	9		
		% within acquire other business in same industry	.0%	22.2%	77.8%	.0%	100.0%		
		% of Total	.0%	2.0%	7.0%	.0%	9.0%		
	Disagree	Count	0	0	2	2	4		
		% within acquire other business in same industry	.0%	.0%	50.0%	50.0%	100.0%		
		% of Total	.0%	.0%	2.0%	2.0%	4.0%		
	Strongly disagree	Count	9	9	36	0	59		
		% within acquire other business in same industry	15.3%	15.3%	61.0%	.0%	100.0%		
		% of Total	9.0%	9.0%	36.0%	.0%	59.0%		
Total		Count	18	13	58	4	7		
		% within acquire other business in same industry	18.0%	13.0%	58.0%	4.0%	7.0%		
		% of Total	18.0%	13.0%	58.0%	4.0%	7.0%		
		Assistance of financial institution						Chi-square	Correlation
		Always	v-often	Occasionally	Rarely	Never	Total		
Acquire other business in same industry	Strongly agree	Count	2	0	2	2	6	36.366	-.290
		% within acquire other business in same industry	16.7%	.0%	16.7%	16.7%	50.0%		
		% of Total	2.0%	.0%	2.0%	2.0%	6.0%		
	Agree	Count	3	4	0	2	10		
		% within acquire other business in same industry	15.8%	21.1%	.0%	10.5%	52.6%		
		% of Total	3.0%	4.0%	.0%	2.0%	10.0%		
	Neutral	Count	0	5	4	0	9		
		% within acquire other business in same industry	.0%	55.6%	44.4%	.0%	100.0%		
		% of Total	.0%	5.0%	4.0%	.0%	9.0%		

	Disagree	Count	0	2	0	0	4	6		
		% within acquire other business in same industry	.0%	33.3%	.0%	.0%	66.7%	100.0%		
		% of Total	.0%	2.0%	.0%	.0%	4.0%	6.0%		
	Strongly disagree	Count	17	15	7	3	12	54		
		% within acquire other business in same industry	31.5%	27.8%	13.0%	5.6%	22.2%	100.0%		
		% of Total	17.0%	15.0%	7.0%	3.0%	12.0%	54.0%		
Total		Count	22	26	13	7	32	100		
		% within acquire other business in same industry	22.0%	26.0%	13.0%	7.0%	32.0%	100.0%		
		% of Total	22.0%	26.0%	13.0%	7.0%	32.0%	100.0%		
				Source of capital					Chi-square	Correlation
				Owned	Bank	v-capital	Total			
Merge with other business	Strongly agree	Count	0	9	0	9	18.647	-.069		
		% within merge with other business	.0%	100.0%	.0%	100.0%				
		% of Total	.0%	9.0%	.0%	9.0%				
	Agree	Count	4	0	0	4				
		% within merge with other business	100.0%	.0%	.0%	100.0%				
		% of Total	4.0%	.0%	.0%	4.0%				
	Neutral	Count	2	3	0	5				
		% within merge with other business	40.0%	60.0%	.0%	100.0%				
		% of Total	2.0%	3.0%	.0%	5.0%				
	Disagree	Count	4	2	0	6				
		% within merge with other business	66.7%	33.3%	.0%	100.0%				
		% of Total	4.0%	2.0%	.0%	6.0%				
	Strongly disagree	Count	45	27	4	76				
% within merge with other business		59.2%	35.5%	5.3%	100.0%					
% of Total		45.0%	27.0%	4.0%	76.0%					
Total		Count	55	41	4	100				
		% within merge with other business	55.0%	41.0%	4.0%	100.0%				
		% of Total	55.0%	41.0%	4.0%	100.0%				
			Loan available on time						Chi-square	Correlation
			Always	V-often	Occasionally	Rarely	Never	Total		
Merge with	Strongly agree	Count	9	0	0	0	9			
		% within merge with other business	100.0%	.0%	.0%	.0%	.0%			100.0%
		% of Total	9.0%	.0%	.0%	.0%	.0%			9.0%
	Agree	Count	0	0	4	0	4			
		% within merge with other business	.0%	.0%	100.0%	.0%	.0%			100.0%
	% of Total	.0%	.0%	4.0%	.0%	.0%	4.0%			

other business	Neutral	Count	0	0	2	0	3	5	84.87	.287
		% within merge with other business	.0%	.0%	40.0%	.0%	60.0%	100.0%		
		% of Total	.0%	.0%	2.0%	.0%	3.0%	5.0%		
	Disagree	Count	0	0	4	2	0	6		
		% within merge with other business	.0%	.0%	66.7%	33.3%	.0%	100.0%		
		% of Total	.0%	.0%	4.0%	2.0%	.0%	6.0%		
	Strongly disagree	Count	9	13	48	2	4	76		
		% within merge with other business	11.8%	17.1%	63.2%	2.6%	5.3%	100.0%		
		% of Total	9.0%	13.0%	48.0%	2.0%	4.0%	76.0%		
	Total	Count	18	13	58	4	7	100		
		% within merge with other business	18.0%	13.0%	58.0%	4.0%	7.0%	100.0%		
		% of Total	18.0%	13.0%	58.0%	4.0%	7.0%	100.0%		

			Assistance of financial institution					Chi-square	Correlation	
			Always	v-often	Occasionally	Rarely	Never			Total
Merge with other business	Strongly agree	Count	3	3	0	3	0	9	34.980	.141
		% within merge with other business	33.3%	33.3%	.0%	33.3%	.0%	100.0%		
		% of Total	3.0%	3.0%	.0%	3.0%	.0%	9.0%		
	Agree	Count	0	2	2	0	0	4		
		% within merge with other business	.0%	50.0%	50.0%	.0%	.0%	100.0%		
		% of Total	.0%	2.0%	2.0%	.0%	.0%	4.0%		
	Neutral	Count	0	3	0	0	2	5		
		% within merge with other business	.0%	60.0%	.0%	.0%	40.0%	100.0%		
		% of Total	.0%	3.0%	.0%	.0%	2.0%	5.0%		
	Disagree	Count	0	4	0	0	2	6		
		% within merge with other business	.0%	66.7%	.0%	.0%	33.3%	100.0%		
		% of Total	.0%	4.0%	.0%	.0%	2.0%	6.0%		
	Strongly disagreed	Count	19	14	11	4	28	76		
		% within merge with other business	25.0%	18.4%	14.5%	5.3%	36.8%	100.0%		
		% of Total	19.0%	14.0%	11.0%	4.0%	28.0%	76.0%		
Total	Count	22	26	13	7	32	100			
	% within merge with other business	22.0%	26.0%	13.0%	7.0%	32.0%	100.0%			
	% of Total	22.0%	26.0%	13.0%	7.0%	32.0%	100.0%			

			Source of capital			Total	Chi-square	Correlation
			Owned	Bank	v-capital			
Nat	Service	Count	20	8	2	30		.216
		% within nature of business industry	66.7%	26.7%	6.7%	100.0%		
		% of Total	20.0%	8.0%	2.0%	30.0%		

ure of business industry	Manufacturing	Count	29	31	0	60	35.677	
		% within nature of business industry	48.3%	51.7%	.0%	100.0%		
		% of Total	29.0%	31.0%	.0%	60.0%		
	Food	Count	6	0	0	6		
		% within nature of business industry	100.0%	.0%	.0%	100.0%		
		% of Total	6.0%	.0%	.0%	6.0%		
	Other	Count	0	2	2	4		
		% within nature of business industry	.0%	50.0%	50.0%	100.0%		
		% of Total	.0%	2.0%	2.0%	4.0%		
Total	Count	55	41	4	100			
	% within nature of business industry	55.0%	41.0%	4.0%	100.0%			
	% of Total	55.0%	41.0%	4.0%	100.0%			

			Loan available on time						Chi-square	Correlation
			Always	V-often	Occasionally	Rarely	Never	Total		
Nature of business industry	Service	Count	0	4	20	2	4	30	44.600	-.141
		% within nature of business industry	.0%	13.3%	66.7%	6.7%	13.3%	100.0%		
		% of Total	.0%	4.0%	20.0%	2.0%	4.0%	30.0%		
	Manufacturing	Count	16	9	32	0	3	60		
		% within nature of business industry	26.7%	15.0%	53.3%	.0%	5.0%	100.0%		
		% of Total	16.0%	9.0%	32.0%	.0%	3.0%	60.0%		
	Food	Count	0	0	6	0	0	6		
		% within nature of business industry	.0%	.0%	100.0%	.0%	.0%	100.0%		
		% of Total	.0%	.0%	6.0%	.0%	.0%	6.0%		
	Other	Count	2	0	0	2	0	4		
		% within nature of business industry	50.0%	.0%	.0%	50.0%	.0%	100.0%		
		% of Total	2.0%	.0%	.0%	2.0%	.0%	4.0%		
Total	Count	18	13	58	4	7	100			
	% within nature of business industry	18.0%	13.0%	58.0%	4.0%	7.0%	100.0%			
	% of Total	18.0%	13.0%	58.0%	4.0%	7.0%	100.0%			

			Assistance of financial institution					Chi-square	Correlation	
			Always	v-often	Occasionally	Rarely	Never			Total
Nature of business	Service	Count	0	4	8	4	14	30	37.799	-.200
		% within nature of business industry	.0%	13.3%	26.7%	13.3%	46.7%	100.0%		
		% of Total	.0%	4.0%	8.0%	4.0%	14.0%	30.0%		
	Manufacturing	Count	20	20	3	3	14	60		
		% within nature of business industry	33.3%	33.3%	5.0%	5.0%	23.3%	100.0%		
		% of Total	20.0%	20.0%	3.0%	3.0%	14.0%	60.0%		
	Food	Count	0	0	2	0	4	6		

ess indus- try		% within nature of business industry	.0%	.0%	33.3 %	.0%	66.7 %	100.0 %		
		% of Total	.0%	.0%	2.0%	.0%	4.0%	6.0%		
		Other	Count	2	2	0	0	0		
	% within nature of business industry	50.0 %	50.0 %	.0%	.0%	.0%	100.0 %			
	% of Total	2.0%	2.0%	.0%	.0%	.0%	4.0%			
Total	Count	22	26	13	7	32	100			
	% within nature of business industry	22.0 %	26.0 %	13.0 %	7.0%	32.0 %	100.0 %			
	% of Total	22.0 %	26.0 %	13.0 %	7.0%	32.0 %	100.0 %			
			Source of capital					Chi- square	Corr elatio n	
		Owned	Bank	V-capital	Total					
Form of orga- niza- ti- on	Sole proprie- torship	Count	42	21	0	63	62.311	.525		
		% within form of organization	66.7%	33.3%	.0%	100.0 %				
		% of Total	42.0%	21.0%	.0%	63.0%				
	Partne- rship	Count	11	18	2	31				
		% within form of organization	35.5%	58.1%	6.5%	100.0 %				
		% of Total	11.0%	18.0%	2.0%	31.0%				
	Private limited	Count	2	0	0	2				
		% within form of organization	100.0%	.0%	.0%	100.0 %				
		% of Total	2.0%	.0%	.0%	2.0%				
	Public limited	Count	0	2	0	2				
		% within form of organization	.0%	100.0%	.0%	100.0 %				
		% of Total	.0%	2.0%	.0%	2.0%				
	Co- operati- ve society	Count	0	0	2	2				
% within form of organization		.0%	.0%	100.0%	100.0 %					
% of Total		.0%	.0%	2.0%	2.0%					
Total	Count	55	41	4	100					
	% within form of organization	55.0%	41.0%	4.0%	100.0 %					
	% of Total	55.0%	41.0%	4.0%	100.0 %					
			Loan available on time						Chi- square	Cor rela- tion
		Alwa ys	V- often	Occasio nally	Rare ly	Ne ver	Tota l			
Form of orga- niza- ti- on	Sole proprie- torship	Count	8	6	45	4	0	63	45.39	-.213
		% within form of organization	12.7 %	9.5%	71.4%	6.3 %	.0 %	100.0 %		
		% of Total	8.0%	6.0%	45.0%	4.0 %	.0 %	63.0 %		
	Partner- ship	Count	6	7	11	0	7	31		
		% within form of organization	19.4 %	22.6 %	35.5%	.0%	22.6 %	100.0 %		
		% of Total	6.0%	7.0%	11.0%	.0%	7.0	31.0		

	Private limited	Count	0	0	2	0	0	2		
		% within form of organization	.0%	.0%	100.0%	.0%	.0 %	100.0%		
		% of Total	.0%	.0%	2.0%	.0%	.0 %	2.0 %		
		Count	2	0	0	0	0	2		
	Public limited	% within form of organization	100.0 %	.0%	.0%	.0%	.0 %	100.0%		
		% of Total	2.0%	.0%	.0%	.0%	.0 %	2.0 %		
		Co-operative society	Count	2	0	0	0	0		
	% within form of organization		100.0 %	.0%	.0%	.0%	.0 %	100.0%		
	% of Total		2.0%	.0%	.0%	.0%	.0 %	2.0 %		
Total		Count	18	13	58	4	7	100		
		% within form of organization	18.0 %	13.0 %	58.0%	4.0 %	7.0 %	100.0%		
		% of Total	18.0 %	13.0 %	58.0%	4.0 %	7.0 %	100.0%		
			Assistance of financial institution						Chi - square	Corr elatio n
			Alwa ys	V- often	Occasion ally	Rar ely	Neve r			
Form of orga nizati on	Sole proprietor ship	Count	16	11	13	2	21	63	35.307	- .098
		% within form of organization	25.4 %	17.5%	20.6%	3.2 %	33.3 %	100.0%		
		% of Total	16.0 %	11.0%	13.0%	2.0 %	21.0 %	63.0 %		
	Partnersh ip	Count	4	13	0	5	9	31		
		% within form of organization	12.9 %	41.9%	.0%	16.1%	29.0 %	100.0%		
		% of Total	4.0%	13.0%	.0%	5.0 %	9.0%	31.0 %		
	Private limited	Count	0	0	0	0	2	2		
		% within form of organization	.0%	.0%	.0%	.0%	100.0 %	100.0%		
		% of Total	.0%	.0%	.0%	.0%	2.0%	2.0%		
	Public limited	Count	0	2	0	0	0	2		
		% within form of organization	.0%	100.0 %	.0%	.0%	.0%	100.0%		
		% of Total	.0%	2.0%	.0%	.0%	.0%	2.0%		
Co-operative society	Count	2	0	0	0	0	2			
	% within form of organization	100.0 %	.0%	.0%	.0%	.0%	100.0%			
	% of Total	2.0%	.0%	.0%	.0%	.0%	2.0%			
Total		Count	22	26	13	7	32	100		
		% within form of organization	22.0 %	26.0%	13.0%	7.0 %	32.0 %	100.0%		
		% of Total	22.0 %	26.0%	13.0%	7.0 %	32.0 %	100.0%		

There are total 100 respondents. Among them 36(36.0%) are inside town, and 64(64.0%) respondents are industrial estate. The total 36(36.0%) are inside town in which 24(66.7%) respondents have owned capital, 10(27.8%) have a bank capital, and 2(5.6%) have a venture capital and the total 64(64.0%) respondents are from industrial estate in which 31(48.4%) respondents have owned capital, 31(48.4%) have bank capital, and 2(3.1%) have venture capital. The calculated value of chi square is 4.131 and tabulated value of chi-square for degree of freedom 2 at 5% level of significance is 5.99. Since calculated value of chi-square is less than tabulated value therefore the null hypothesis is accepted. It means the variable "Location of unit" & the variable "Source of capital" is independent. The value coefficient of correlation is .062 it means there is positive and less significant correlation between the variable **"Location of unit" & the variable "Source of capital"**.

There are total 100 respondents. Among them 36(36.0%) are inside town, and 64(64.0%) respondents are industrial estate. The total 36(36.0%) are inside town in which 0(0%) respondents say always, 6(16.7%) respondents say very often, 24(66.7%) respondents say occasionally, 2(5.6%) respondents say rarely and 4(11.1%) respondents say never and the total 64(64.0%) respondents are industrial estate in which 18(28.1%) respondents say always, 7(10.9%) respondents say very often, 34(53.1%) respondents say occasionally, and 2(3.1%) respondents say rarely and 3(4.7%) respondents say never. The calculated value of chi square is 13.134 and tabulated value of chi-square for degree of freedom 4 at 5% level of significance is 9.48. Since calculated value of chi-square is more than tabulated value therefore the null hypothesis is rejected. It means the variable "Location of unit" & the variable "Loan available on time" is dependent. The value coefficient of correlation is -.305 it means there is negative and less significant correlation between the variable **"Location of unit" & the variable "Loan available on time"**.

There are total 100 respondents. Among them 36(36.0%) are inside town, and 64(64.0%) respondents are from industrial estate. The total 36(36.0%) are inside town in which 0(0%) respondents say always, 6(16.7%) respondents say very often, 8(22.2%) respondents say occasionally, 4(11.1%) respondents say rarely and 18(50.0%) respondents say never. The total 64(64.0%) respondents are industrial estate, 22(34.4%) respondents say always, 20(31.2%) respondents say very often, 5(7.8%) respondents say occasionally, 3(4.7%) respondents say rarely and 14(21.9%) respondents say never. The calculated value of chi square is 24.993 and tabulated value of chi-square for degree of freedom 4 at 5% level of significance is 9.48. Since calculated value of chi-square is more than tabulated value therefore the null hypothesis is rejected. It means the variable "Location of unit" & the

variable "Assistance of financial institution" is dependent. The value coefficient of correlation is -.444, it means there is negative and moderate significant correlation between the variable **"Location of unit" & "Assistance of financial institution"**.

There are total 100 respondents. Among them 46 (46%) are strongly agree, 20(20%) respondents are agree, 2(2%) respondents are neutral, 13(13%) respondents are disagree, and 19(19%) are strongly disagree. The total 46 (46%) are strongly agree in which 28(60.9%) have owned capital, 14(30.4%) have bank capital, and 4(8.7%) have venture capital, the total 20(20%) respondents are agree in which 9(45.0%) have owned capital, 11(55.0%) have bank capital, and 0(0.0%) have venture capital. The total 2(2%) respondents are neutral in which 2(100.0%) have owned capital, 0(0.0%) have bank capital and 0(0.0%) have venture capital. 13(13%) respondents are disagree in which 5(38.5%) have owned capital, 8(61.5%) have bank capital, and 0(0.0%) have venture capital. 19(19%) are strongly disagree in which 11(57.9%) have owned capital, 8(42.1%) have bank capital, and 0(0.0%) have venture capital. The calculated value of chi square is 11.131 and tabulated value of chi-square for degree of freedom 8 at 5% level of significance is 12.59. Since calculated value of chi-square is less than tabulated value therefore the null hypothesis is accepted. It means the variable "Increasing size of business" & the variable "Source of capital" is independent. The value coefficient of correlation is -.090 it means there is negative and less significant correlation between the variable **"Increasing size of business" & the variable "Source of capital"**.

There are total 100 respondents. Among them 46 (46%) are strongly agree, 20(20%) respondents are agree, 2(2%) respondents are neutral, 13(13%) respondents are disagree, and 19(19%) are strongly disagree. The total 46 (46%) are strongly agree in which 16(34.8%) respondents say always, 9(19.6%) respondents say very often, 9(10.0%) respondents say occasionally, 0(0.0%) respondents say rarely and 12(26.1%) respondents say never. The total 20(20%) respondents are agree in which 0(0.0%) respondents say always, 12(60.0%) respondents say very often, 2(10.0%) respondents say occasionally, 2(10.0%) respondents say rarely and 4(20.0%) respondents say never. The total 2(2%) respondents are neutral in which 0(0%) respondents say always, 0(0.0%) respondents say very often, (0.0%) respondents say occasionally and 0(0.0%) respondents say rarely and 2(100.0%) respondents say never. The total 13(13%) respondents are disagree in which 6(46.2%) respondents say always, 2(15.4%) respondents say very often, 0(0.0%) respondents say occasionally, 0(0.0%) respondents say rarely and 5(38.5%) respondents say never. The total 19(19%) respondents are strongly disagree in which 0(0.0%) respondents say always, 3(15.8%) respondents say very often, 2(10.5%) respondents say

occasionally, 5(26.3%) respondents say rarely and 9(47.4%) respondents say never. The calculated value of chi square is 51.576 and tabulated value of chi-square for degree of freedom 16 at 5% level of significance is 26.29. Since calculated value of chi-square is more than tabulated value therefore the null hypothesis is rejected. It means the variable “Increasing size of business” & the variable “Assistance of financial institution” is dependent. The value coefficient of correlation is .288 it means there is positive and less significant correlation between the variable **“Increasing size of business” & the variable “Assistance of financial institution”**.

There are total 100 respondents. Among them 46 (46%) are strongly agree, 20(20%) respondents are agree, 2(2%) respondents are neutral, 13(13%) respondents are disagree, and 19(19%) are strongly disagree. The total 46 (46%) are strongly agree in which 7(15.2%) respondents say always, 6(13.0%) respondents say very often, 28(60.9%) respondents say occasionally, 0(0.0%) respondents say rarely and 5(10.9%) respondents say never. The total 20(20%) respondents are agree in which 2(10.0%) respondents say always, 5(25.0%) respondents say very often, 9(45.0%) respondents say occasionally, 2(10.0%) respondents say rarely and 2(10.0%) respondents say never. The total 2(2%) respondents are neutral in which 0(0%) respondents say always, 0(0.0%) respondents say very often, 2(100.0%) respondents say occasionally, 0(0.0%) respondents say rarely and 0(0.0%) respondents say never. The total 13(13%) respondents are disagree in which 3(23.1%) respondents say always, 2(15.4%) respondents say very often, 8(61.5%) respondents say occasionally, 0(0.0%) respondents say rarely and 0(0.0%) respondents say never. The total 19(19%) respondents are strongly disagree out of which 6(31.6%) respondents say always, 0(0.0%) respondents say very often, 11(57.9%) respondents say occasionally, 2(10.5%) respondents say rarely and 0(0.0%) respondents say never. The calculated value of chi square is 19.572 and tabulated value of chi-square for degree of freedom 16 at 5% level of significance is 26.29. Since calculated value of chi-square is less than tabulated value therefore the null hypothesis is accepted. It means the variable “Increasing size of business” & the variable “Loan available on time” is independent. The value coefficient of correlation is -.144 it means there is negative and less significant correlation between the variable **“Increasing size of business” & the variable “Loan available on time”**.

There are total 100 respondents. Among them 12(12%) are strongly agree, 19(19%) respondents are agree, 9(9%) respondents are neutral, 6(6%) respondents are disagree, and 54(54%) are strongly disagree. The total 12(12%) are strongly agree out of which 10(83.3%) have owned capital, 2(16.7%) have bank capital, and 0(0.0%) have venture capital. The total 19(19%) respondents are agree in which 13(68.4%) have owned capital,

4(21.1%) have bank capital, and 2(10.5%) have venture capital. The total 9(9%) respondents are neutral out of which 2(22.2%) have owned capital, 7(77.8%) have bank capital, and 0(0.0%) have venture capital. 6(6%) respondents are disagree out of which 4(66.7%) have owned capital, 2(33.3%) have bank capital, and 0(0.0%) have venture capital. 59(59%) are strongly disagree in which 26(48.1.0%) have owned capital, 26(48.1%) have bank capital, and 2(3.7%) have venture capital. The calculated value of chi square is 15.161 and tabulated value of chi-square for degree of freedom 10 at 5% level of significance is 18.30 Since calculated value of chi-square is less than tabulated value therefore the null hypothesis is accepted. It means the variable “Acquire other business in same industry” & the variable “Source of capital” is independent. The value coefficient of correlation is .103 it means there is positive and less significant correlation between the variable **“Acquire other business in same industry” & the variable “Source of capital”**.

There are total 100 respondents. Among them 8(8%) are strongly agree, 20(20%) respondents are agree, 9(9%) respondents are neutral, 4(4%) respondents are disagree, and 59(59%) are strongly disagree. The total 8(8%) are strongly agree out of which 3(37.50%) respondents say always, 0(0.0%) respondents say very often, 5(62.5%) respondents say occasionally, 0(0.0%) respondents say rarely and 0(0%) respondents say never. 20(20%) respondents are agree in which 6(30.0%) respondents say always, 2(10%) respondents say very often, 8(40%) respondents say occasionally, 2(10%) respondents say rarely and 2(10%) respondents say never. The total 9(9%) respondents are neutral out of which 0(0%) respondents say always, 2(22.2%) respondents say very often, 7(77.8%) respondents say occasionally, 0(0%) respondents say rarely and 0(0%) respondents say never. The total 4(4%) respondents are disagree in which 0(0.0%) respondents say always, 0(0%) respondents say very often, 2(50%) respondents say occasionally, 2(50%) respondents say rarely and 0(0.0%) respondents say never. The total 59(59%) respondents are strongly disagree out of which 9(15.3%) respondents say always, 9(15.3%) respondents say very often, 36(61%) respondents say occasionally, 0(0.0%) respondents say rarely and 5(8.5%) respondents say never. The calculated value of chi square is 50.829 and tabulated value of chi-square for degree of freedom 16 at 5% level of significance is 26.29. Since calculated value of chi-square is more than tabulated value therefore the null hypothesis is rejected. It means the variable “Acquire other business in same industry” & the variable “Loan available on time” is dependent. The value coefficient of correlation is -.487 it means there is negative and moderate significant correlation between the variable **“Acquire other business in same industry” & the variable “Loan available on time”**.

There are total 100 respondents. Among them 12(12%) are strongly agree, 19(19%) respondents are agree, 9(9%) respondents are neutral, 6(6%) respondents are disagree, and 54(54%) are strongly disagree. The total 12(12%) are strongly agree in which 2(16.7%) respondents say always, 0(0.0%) respondents say very often, 2(16.7%) respondents say occasionally, 2(16.7%) respondents say rarely and 6(50.0%) respondents say never. 19(19%) respondents are agree in which 3(15.8%) respondents say always, 4(21.1%) respondents say very often, 0(0.0%) respondents say occasionally, 2(10.5%) respondents say rarely and 10(52.6%) respondents say never. The total 9(9.0%) respondents are neutral out of which 0(0%) respondents say always, 5(55.6%) respondents say very often, 4(44.4%) respondents say occasionally, 0(0.0%) respondents say rarely and 0(0.0%) respondents say never. The total 6(6%) respondents are disagree out of which 0(0.0%) respondents say always, 2(33.3%) respondents say very often, 0(0.0%) respondents say occasionally, 0(0.0%) respondents say rarely and 4(66.7%) respondents say never. The total 54(54%) respondents are strongly disagree out of which 17(31.5%) respondents say always, 15(27.8%) respondents say very often, 7(13.0%) respondents say occasionally, 3(5.6%) respondents say rarely and 12(22.2%) respondents say never. The calculated value of chi square is 36.366 and tabulated value of chi-square for degree of freedom 16 at 5% level of significance is 26.29. Since calculated value of chi-square is more than tabulated value therefore the null hypothesis is rejected. It means the variable “Acquire other business in same industry” & the variable “Assistance of financial institution” is dependent. The value coefficient of correlation is -.290 it means there is negative and less significant correlation between the variable **“Acquire other business in same industry” & the variable “Assistance of financial institution”**.

There are total 100 respondents. Among them 9(9%) are strongly agree, 4(4%) respondents are agree, 5(5%) respondents are neutral, 6(6%) respondents are disagree, and 76(76%) are strongly disagree. The total 9(9%) are strongly agree in which 0(0.0%) have owned capital, 9(100%) have bank capital, and 0(0.0%) have venture capital. The total 4(4%) respondents are agree in which 4(100%) have owned capital, 0(0.0%) have bank capital, and 0(0.0%) have venture capital. The total 5(5%) respondents are neutral in which 2(40.0%) have owned capital, 3(60.0%) have bank capital, and 0(0.0%) have venture capital. 6(6%) respondents are disagree, in which 4(66.7%) have owned capital, 2(33.3%) have bank capital, and 0(0.0%) have venture capital. 76(76%) are strongly disagree out of which 45(59.2%) have owned capital, 27(35.5%) have bank capital, and 4(5.3%) have venture capital. The calculated value of chi square is 18.647 and tabulated value of chi-square for degree of freedom 10 at 5% level of significance is 18.30. Since calculated value of chi-square is more than tabulated value therefore

the null hypothesis is rejected. It means the variable “Merge with other business” & the variable “Source of capital” is dependent. The value coefficient of correlation is -.069 it means there is negative and less significant correlation between the variable **“Merge with other business” & the variable “Source of capital”**.

There are total 100 respondents. Among them 9(9%) are strongly agree, 4(4%) respondents are agree, 5(5%) respondents are neutral, 6(6%) respondents are disagree, and 76(76%) are strongly disagree. The total 9(9%) are strongly agree in which 9(100.0%) respondents say always, 0(0.0%) respondents say very often, 0(0.0%) respondents say occasionally, 0(0.0%) respondents say rarely and 0(0.0%) respondents say never. The total 4(4%) respondents are agree in which 0(0.0%) respondents say always, 0(0.0%) respondents say very often, 4(100.0%) respondents say occasionally, 0(0.0%) respondents say rarely and 0(0.0%) respondents say never. The total 5(5%) respondents are neutral in which 0(0%) respondents say always, 0(0.0%) respondents say very often, 2(40.0%) respondents say occasionally, 0(0.0%) respondents say rarely and 3(60.0%) respondents say never. The total 6(6%) respondents are disagree in which 0(0.0%) respondents say always, 0(0.0%) respondents say very often, 4(66.7%) respondents say occasionally, 2(33.3%) respondents say rarely and 0(0.0%) respondents say never. The total 76(76%) respondents are strongly disagree out of which 9(11.8%) respondents say always, 13(17.1%) respondents say very often, 48(63.2%) respondents say occasionally, 2(2.6%) respondents say rarely and 4(5.3%) respondents say never. The calculated value of chi square is 84.873 and tabulated value of chi-square for degree of freedom 16 at 5% level of significance is 26.29. Since calculated value of chi-square is more than tabulated value therefore the null hypothesis is rejected. It means the variable “Merge with other business” & the variable “Loan available on time” is dependent. The value coefficient of correlation is .287 it means there is positive and less significant correlation between the variable **“Merge with other business” & the variable “Loan available on time”**.

There are total 100 respondents. Among them 9(9%) are strongly agree, 4(4%) respondents are agree, 5(5%) respondents are neutral, 6(6%) respondents are disagree, and 76(76%) are strongly disagree. The total 9(9%) are strongly agree in which 3(33.3%) respondents say always, 3(33.3%) respondents say very often, 0(0.0%) respondents say occasionally, 3(33.3%) respondents say rarely and 0(0.0%) respondents say never. 4(4%) respondents are agree in which 0(0.0%) respondents say always, 2(50.0%) respondents say very often, 2(50.0%) respondents say occasionally, 0(0.0%) respondents say rarely and 0(0.0%) respondents say never. The total 5(5%) respondents are neutral out of which 0(0%) respondents say always, 3(60.0%) respondents say very often, 0(0.0%) respondents say occasionally,

0(0.0%) respondents say rarely and 2(40.0%) respondents say never. The total 6(6%) respondents are disagree out of which 0(0.0%) respondents say always, 4(66.7%) respondents say very often, 0(0.0%) respondents say occasionally, 0(0.0%) respondents say rarely and 2(33.3%) respondents say never. The total 76(76%) respondents are strongly disagree out of which 19(25.0%) respondents say always, 14(18.4%) respondents say very often, 11(14.5%) respondents say occasionally, 4(5.3%) respondents say rarely and 28(36.8%) respondents say never. The calculated value of chi square is 34.980 and tabulated value of chi-square for degree of freedom 16 at 5% level of significance is 26.29. Since calculated value of chi-square is more than tabulated value therefore the null hypothesis is rejected. It means the variable "Merge with other business" & the variable "Assistance of financial institution" is dependent. The value coefficient of correlation is .141 it means there is positive and less significant correlation between the variable **"Merge with other business" & the variable "Assistance of financial institution"**.

There are total 100 respondents. Among them 30(30%) are in service, 60(60%) respondents are in manufacturing, 6(6%) respondents are in food and 4(4%) respondents are in other business. The total 30(30%) are in service out of which 20(66.7%) have owned capital, 8(26.7%) have bank capital, and 2(6.7%) have venture capital. 60(60%) respondents are in manufacturing business in which 29(48.3%) have owned capital, 31(51.7%) have bank capital, and 0(0.0%) have venture capital. The total 6(6%) respondents are in food in which 6(100.0%) have owned capital, 0(0.0%) have bank capital, and 0(0.0%) have venture capital. 4(4%) respondents are in other business in which 0(0.0%) have owned capital, 2(50.0%) have bank capital, and 2(50.0%) have venture capital. The calculated value of chi square is 35.677 and tabulated value of chi-square for degree of freedom 6 at 5% level of significance is 12.59. Since calculated value of chi-square is more than tabulated value therefore the null hypothesis is rejected. It means the variable "Nature of business industry" & the variable "Source of capital" is dependent. The value coefficient of correlation is .216 it means there is positive and less significant correlation between the **"Nature of business industry" & the variable "Source of capital"**.

There are total 100 respondents. Among them 30(30%) are in service, 60(60%) respondents are in manufacturing, 6(6%) respondents are in food, 4(4%) respondents are in other business. The total 30(30%) are in service in which 0(0.0%) respondents say always, 4(13.3%) respondents say very often, 20(66.7%) respondents say occasionally, 2(6.7%) respondents say rarely and 4(13.3%) respondents say never. 60(60%) respondents are in manufacturing business in which 16(26.7%) respondents say always, 9(15.0%) respondents say very often, 32(53.3%) respondents say occasionally, 0(0.0%) respondents say rarely and 3(5.0%) respondents say

never. The total 6(6%) respondents are in food in which 0(0%) respondents say always, 0(0.0%) respondents say very often, 6(100.0%) respondents say occasionally, 0(0.0%) respondents say rarely and 0(0.0%) respondents say never. The total 4(4%) respondents are in other business out of which 2(50.0%) respondents say always, 0(0.0%) respondents say very often, 0(0.0%) respondents say occasionally, 2(50.0%) respondents say rarely and 0(0.0%) respondents say never. The calculated value of chi square is 44.600 and tabulated value of chi-square for degree of freedom 12 at 5% level of significance is 21.02. Since calculated value of chi-square is more than tabulated value therefore the null hypothesis is rejected. It means the variable "Nature of business industry" & the variable "Loan available on time" is dependent. The value coefficient of correlation is -.141 it means there is negative and less significant correlation between the **"Nature of business industry" & the variable "Loan available on time"**.

There are total 100 respondents. Among them 30(30%) are in service, 60(60%) respondents are in manufacturing, 6(6%) respondents are in food, 4(4%) respondents are in other business. The total 30(30%) are in service in which 0(0.0%) respondents say always, 4(13.3%) respondents say very often, 8(26.7%) respondents say occasionally, 4(13.3%) respondents say rarely and 14(46.7%) respondents say never. The total 60(60%) respondents are in manufacturing business in which 20(33.3%) respondents say always, 20(33.3%) respondents say very often, 3(5.0%) respondents say occasionally, 3(5.0%) respondents say rarely and 14(66.7%) respondents say never. The total 6(6%) respondents are in food out of which 0(0%) respondents say always, 0(0.0%) respondents say very often, 2(33.3%) respondents say occasionally 0(0.0%) respondents say rarely and 4(66.7%) respondents say never. The total 4(4%) respondents are in other business in which 2(50.0%) respondents say always, 2(50.0%) respondents say very often, 0(0.0%) respondents say occasionally, 0(0.0%) respondents say rarely and 0(0.0%) respondents say never. The calculated value of chi square is 37.799 and tabulated value of chi-square for degree of freedom 12 at 5% level of significance is 21.02. Since calculated value of chi-square is more than tabulated value therefore the null hypothesis is rejected. It means the variable "Nature of business industry" & the variable "Assistance of financial institution" is dependent. The value coefficient of correlation is -.200 it means there is negative and less significant correlation between the **"Nature of business industry" & the variable "Assistance of financial institution"**.

There are total 100 respondents. Among them 63(63%) are from the sole proprietorship, 31(31%) respondents are from partnership, 2(2%) respondents are from private limited, 2(2%) respondents are from public Limited, and 2(2%) respondent are from co-operative society. The total

63(63%) are from the sole proprietorship out of which 42(66.7%) have owned capital, 21(33.3%) have bank capital and 0(0.0%) have venture capital. 31(31%) respondents are from partnership out of which 11(35.5%) have owned capital, 18(58.1%) have bank capital and 2(6.5%) have venture capital. The total 2(2%) respondents are from private limited, in which 2(100.0%) have owned capital, 0(0.0%) have bank capital and 0(0.0%) have venture capital. The total 2(2%) respondents are from public Limited in which 0(0.0%) have owned capital, 2(100.0%) have bank capital and 0(0.0%) have venture capital. The total 2(2%) respondent are from co-operative society in which 0(0.0%) have owned capital, 0(0.0%) have bank capital and 2(2.0%) have venture capital. The calculated value of chi square is 62.311 and tabulated value of chi-square for degree of freedom 10 at 5% level of significance is 18.30. Since calculated value of chi-square is more than tabulated value therefore the null hypothesis is rejected. It means the variable "Form of organization" & the variable "Source of capital" is dependent. The value coefficient of correlation is .525 it means there is positive and moderate significant correlation between the **"Form of organization" & the variable "Source of capital"**.

There are total 100 respondents. Among them 63(63%) are from the sole proprietorship, 31(31%) respondents are from partnership, 2(2%) respondents are from private limited, 2(2%) respondents are from public Limited, and 2(2%) respondent are from co-operative society. 63(63%) are from the sole proprietorship out of which 8(12.7%) respondents say always, 6(9.5%) respondents say very often, 45(71.4%) respondents say occasionally, 4(6.3%) respondents say rarely and 0(0.0%) respondents say never. The total 31(31%) respondents are from partnership out of which 6(19.4%) respondents say always, 7(22.6%) respondents say very often, 11(35.5%) respondents say occasionally, 0(0.0%) respondents say rarely and 7(22.6%) respondents say never. The total 2(2%) respondents are from private limited in which 0(0%) respondents say always, 0(0.0%) respondents say very often, 2(2.0%) respondents say occasionally, 0(0.0%) respondents say rarely and 0(0.0%) respondents say never. The total 2(2%) respondents are from public Limited in which 2(100.0%) respondents say always, 0(0.0%) respondents say very often, 0(0.0%) respondents say occasionally, 0(0.0%) respondents say rarely and 0(0.0%) respondents say never. The total 2(2%) respondent are from co-operative society, 2(100.0%) respondents say always, 0(0.0%) respondents say very often, 0(0.0%) respondents say occasionally, 0(0.0%) respondents say rarely and 0(0.0%) respondents say never. The calculated value of chi square is 45.399 and tabulated value of chi-square for degree of freedom 16 at 5% level of significance is 26.29. Since calculated value of chi-square is more than tabulated value therefore the null hypothesis is rejected. It means the variable "Form of organization"

& the variable "Loan available on time" is dependent. The value coefficient of correlation is -.213 it means there is negative and less significant correlation between the **"Form of organization" & the variable "Loan available on time"**.

There are total 100 respondents. Among them 63(63%) are from the sole proprietorship, 31(31%) respondents are from partnership, 2(2%) respondents are from private limited, 2(2%) respondents are from public Limited and 2(2%) respondent are from co-operative society. 63(63%) are from the sole proprietorship in which 16(25.4%) respondents say always, 11(17.5%) respondents say very often, 13(20.6%) respondents say occasionally, 2(3.2%) respondents say rarely and 21(33.3%) respondents say never. The total 31(31%) respondents are from partnership in which 4(12.9%) respondents say always, 13(41.9%) respondents say very often, 0(0.0%) respondents say occasionally, 5(16.1%) respondents say rarely and 9(29.0%) respondents say never. The total 2(2%) respondents are from private limited out of which 0(0%) respondents say always, 0(0.0%) respondents say very often, 0(0.0%) respondents say occasionally, 0(0.0%) respondents say rarely and 2(100.0%) respondents say never. The total 2(2%) respondents are from public Limited in which 0(0.0%) respondents say always, 2(100.0%) respondents say very often, 0(0.0%) respondents say occasionally, 0(0.0%) respondents say rarely and 0(0.0%) respondents say never. The total 2(2%) respondent are from co-operative society in which 2(100.0%) respondents say always, 0(0.0%) respondents say very often, 0(0.0%) respondents say occasionally, 0(0.0%) respondents say rarely and 0(0.0%) respondents say never. The calculated value of chi square is 35.307 and tabulated value of chi-square for degree of freedom 16 at 5% level of significance is 26.29. Since calculated value of chi-square is more than tabulated value therefore the null hypothesis is rejected. It means the variable "Form of organization" & the variable "Assistance of financial institution" is dependent. The value coefficient of correlation is -.098 it means there is negative and less significant correlation between the **"Form of organization" & the variable "Assistance of financial institution"**.

CONCLUSION

The review of several pieces of literature shows that the financial institutions are evident tools for entrepreneurship development due to the various services they offer and the role they perform towards the development of the economy. Financial institution can be a beneficial strategy especially regarding its potential to contribute to entrepreneurial development. There are many acclaimed benefits of finance that are yet to be

examined empirically. One of such areas which require empirical investigation is the relationship between the level of finance commitment and the level of entrepreneurs' satisfaction. Financial system affects the economic growth on various ways. In the above analysis we have tabulated variables. First, we have tabulated variable location of unit with source of capital, loan availability on time, and assistance of financial institution. Most respondents have owned source capital while on the availability of loan, they said that they occasionally got a loan. They were not agreeing with the assistance of financial institution. Another variable is increasing the size of business versus the above mentioned variables. Another variable is acquiring other business in the same industry versus the above mentioned variables. Most respondents have owned source of capital while on the availability of loan, they said that they occasionally got a loan. They were not agreeing with the assistance of financial institution. Another variable is merger with other business versus above mentioned variables. Most respondents have owned source capital while on the availability of loan, they said that they occasionally got a loan. They were not agreeing with the assistance of financial institution. Another variable is the nature of business industry versus the above mentioned variables. Maximum respondents have owned source capital while on the availability of loan they said that they occasionally got a loan. They were not agreeing with the assistance of financial institution. Another variable is form of organization versus above mentioned variables. Maximum respondents have owned source capital while on the availability of loan, they said that they occasionally got a loan. They were not agreeing with the assistance of financial institution.

Hence, from the above analysis it can be said that today we are in a better position, as entrepreneurship in the field of economic growth is increasing at a considerable rate. Effort is made as the economy has brought a promise of fund availability to start a new venture, whether it is small scale industry or medium. The Indian entrepreneurs have potential to participate in the country's GDP. But, unfortunately sometimes they have to face problems regarding finance in their business. As we know, that fund is the soul of any business and without financing, an entrepreneur cannot grow and persist in the market.

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