CHAPTER I

INTRODUCTION

“Money makes the world go around”- Jamie Thomas. This is very much true for any business. The key factor for the success of any enterprise over a long term depends on a sound financial management practices.

The research of the past reveals that many enthusiastic entrepreneurs involve themselves in direct activities of business like production, increasing demand and sales of the products etc., and thereby are reluctant to concentrate on recording and maintenance of financial transactions. They forget that the success of the enterprise depends upon sound financial practices. There would not be any financial crisis if the financial needs of the organization are well planned. Good financial planningfetches finance easily from the banking and Non-banking financial sectors.

1.1 Financial Management

“Financial management is an area of financial decision making, harmonizing individual motives and enterprise goals”- Weston and Brigham.

“Financial management is the area of business management devoted to a judicious use of capital and a careful selection of sources of capital in order to enable the business firm to move in the direction of reaching its goals”—J.F.Bradely.

Financial management basically deals with money circulation and control of money for all kinds of business operations. According to Meredith, financial management practices are the central activities for the success of small business.
SMEs financial profitability is the conceived result of financial management practices.1

Growing literature on financial management, supports the argument that in small business, financial management is one of the key issues. It not only increases the success rate but also affects the level of performance of a business. The researchers of the past revealed that there is a wide gap between theory of financial management and the actual practices by the SME in India and that the entrepreneurs whose units were sick were found not having enough knowledge on financial management and did not have proper business records.

1.2 Small and Medium scale enterprises in India

Worldwide, the Micro, Small and Medium Enterprises (MSMEs) have been accepted as the engine of economic growth as well as for promoting equitable development. The major advantage of the sector is its employment potential at low capital cost. The labour intensity of this sector is much higher than that of the large enterprises. It is a nursery of entrepreneurship, often driven by individual creativity and innovation. In India too, the Micro, Small and Medium Enterprises play a pivotal role in the overall development of industrial economy of the country. It contributes 9% of the country’s Gross Domestic Product, 45% of the manufactured output and 40% of its exports. The Micro, Small and Medium Enterprises provide employment to about 60 million people through 26 million enterprises. In recent years, the Micro, Small and Medium Enterprises Sector has consistently registered higher growth rate compared to the overall industrial sector. With its agility and dynamism, the sector has shown admirable innovativeness and adaptability to survive the recent economic downturn and recession. Thus, Micro, Small and Medium Enterprises are important for the national objectives of growth with equity and inclusion2.
1.3 Small and Medium Scale Enterprises in Tamil Nadu

Tamil Nadu is fast emerging as the go-to state for young and enthusiastic entrepreneurs keen to explore new business opportunities. An annual SME survey conducted by India SME Forum in June 2014 reveals that Tamil Nadu is the most preferred destination for start-ups, as the state has a highly conducive business climate. The Micro, Small and Medium Enterprises (MSME) sector, which forms the nucleus of entrepreneurship, contributes significantly to the robust economy of Tamil Nadu. MSMEs in Tamil Nadu contribute 40% of the state’s total exports and provide the largest number of employment opportunities in the country (15.32%) as per the state’s 2013-2014 Annual progress report. MSMEs in Tamil Nadu produce over 8000 varieties of products including engineering products, electrical, electronics, chemicals, plastics, steel, cement, paper, matches, textiles, hosiery and readymade garments. The Indian SME forum survey also revealed that entrepreneurs are keen on setting up shop in Tamil Nadu because the state offers many benefits, including favourable policies and incentives for starting a venture.

In accordance with the provision of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 the Micro, Small and Medium Enterprises (MSME) are classified into two sectors and they are

(a) Manufacturing Enterprises: The enterprises engaged in the manufacture or production of goods pertaining to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951 or employing plant and machinery in the process of value addition to the final product having a distinct name or character or role. The Manufacturing enterprise is defined in terms of investment in Plant & Machinery (b) Service Enterprises: The enterprises engaged in offering or rendering of services and are limited in terms of investment in equipment.
Table 1.1 The limit for investment in plant & machinery/equipment for manufacturing/service enterprises, as notified, vide S.O. 1642(E) DTD.29-09-2006

<table>
<thead>
<tr>
<th>Type of sector</th>
<th>Manufacturing Sector (Investment in Plant &amp; Machinery)</th>
<th>Service Sector (Investment in Equipment)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Enterprises</td>
<td>More than Rs.25 lakhs but does not exceed Rs. 5 crores.</td>
<td>More than Rs.10 lakhs but does not exceed Rs. 2 crores</td>
</tr>
<tr>
<td>Medium Enterprises</td>
<td>More than Rs. 5 crores but does not exceed Rs. 10 crores</td>
<td>More than Rs.2 crores but does not exceed Rs. 5 crores.</td>
</tr>
</tbody>
</table>

Source: Annual Report of MSME 2014

According to the Fourth All India Census of MSMEs (2006-07), Tamil Nadu accounts for 14.95% of the total number of operational MSMEs in India. Also 9.6% of India’s small enterprises (third largest among states) and 9.21% of the country’s medium enterprises (second highest) are located in Tamil Nadu.

1.4 Financial Management Practices of SMEs

Financial management practices help in building various capabilities, which, in turn lead to best financial performance. An organization’s financial management practices depends on how the organization tends to act and use the financial planning knowledge. Lack of knowledge of financial management combined with the uncertainty of the business environment often leads SME to serious problems regarding financial performance, regardless of whether owner-manager or hired –manager, if the financial decisions are wrong, profitability of the company will be adversely affected. Consequently, SME profitability could be damaged because of inefficient financial management. SMEs have often failed due to the lack of knowledge of efficient financial management⁴.

This present study throws light on various areas of financial management which are considered to be the most appropriate for the sustainability and survival of
Small and Medium Scale Enterprises (Herein after referred as SMEs) in the present globalised scenario. The various areas are as follows.

1.4.1 Financial planning, analysis and control

Financial planning means determination of financial objectives, formulation of financial policies and development of financial procedures. Such planning is quite essential for the successful and smooth functioning of any business undertaking. In fact many technically sound and mechanically viable industrial projects have failed simply because of poor financial planning. Financial planning is very much essential for big and small enterprises, at the start up stage as well as for ongoing enterprises. This is because, in the present day changing environment, financial planning has to be a continuous process, necessary for the survival and growth of business undertakings.

1.4.2 Financial structure management

Capital structure refers to the composition or mixture of the long term funds in the capitalization of a company, whereas financial structure refers to the composition of long term funds as well as short term funds in the capitalization of a company. As most of the SMEs in India depend upon both long and short term finance for their survival, the term financial structure management is apt instead of the capital structure management. Most of the researchers have highlighted that the financial structure of SME consists of the company’s own funds, money borrowed from friends, banks and non banking financial institutions. Hence financial structure management is a challenging area for the SME entrepreneurs.

1.4.3 Maintenance of Books of Accounting

For the effective running of a business, requires awareness and a proper knowledge of how the business is run by the owner-manager of a small business on a day-to-day basis. Apart from the legal requirement there is a practical necessity to keep sufficient records to ensure smoothness in business activities without problems to lead the enterprise in the proper direction. However the fields have yet to provide
an accepted normative theory indicating which financial reports are the most valuable in financial management and how often they should be used. Analysis of the survey on the accounting and finance matters of SMEs reveal that a large proportion of firms do not employ bookkeepers and credit controllers. The importance of maintaining proper books of accounts and sound accounting practices has been emphasized in ensuring proper financial management in SMEs. It is inferred from all the reviews that majority of SMEs do not keep complete accounting records as they think there is no need to keep accounting records and that it exposes their financial position, time consuming and expensive and make the enterprise to pay more tax.

1.4.4 Capital Budgeting Decisions or Fixed Assets Management

According to Herold Bierman Jr, “Capital budgeting is the process of deciding whether or not to commit resources to projects whose costs and benefits are spread over several time periods”. The finance manager of a business concern is concerned not only with the financing decision but also with the investment decision or capital budgeting decision (i.e. decision relating to the investment of funds on capital projects, capital investments or capital expenditure). It is one of the most difficult and critical business decisions, as it requires an assessment of future events which are uncertain. This makes sound capital budgeting necessary. Excessive capital investments would increase the operating cost of the firm and inadequacy make it difficult for the firm to run.

1.4.5 Working Capital Management

Working Capital Management plays a key role in all business enterprise similar to the role of the heart in human body. Working capital acts as grease to run the wheels of fixed assets. Its effective provision can be the success of a business while its inefficient management can lead not only to loss but also to the ultimate downfall of what otherwise might be considered as a promising concern. Thus, the efficiency of a business enterprise depends largely on its ability to manage its working capital. It is one of the important facets of overall financial management of
a firm. Working capital management in SMEs is of extreme significance as it plays a vital role in the profitability of the firm. Research has confirmed empirically by studying the relationship or association of working capital management and profitability, that aggressive working capital management policies maximize the profitability ratio\textsuperscript{11}. Working capital management has a strong impact on the profitability and risk factor of the firms which in turn enhance the value of the firms\textsuperscript{12}

a) **Inventory Management:** Inventory management refers to the value or quantity of raw materials, supplies, work in progress and the finished stock that are kept or stored for use as need arises\textsuperscript{13}. Inventory management and control are crucial to a firm because mismanagement of inventory threatens a firms viability. Too much of inventory consumes physical space, creates financial burden and increases the possibility of damage, spoilage and loss. So it is considered as the art and science of maintaining stock levels\textsuperscript{14}

b) **Cash Management:** Cash management forms an integral part of working capital management. Hence it is considered as part of the scope of a good working capital management in modern businesses\textsuperscript{15}. Cash management is the process of ensuring that businesses have good cash balances to ensure that they continue to stay in business. Thus prudent cash management ensures that a small business would be able to honour its debt obligations as and when they fall due and also to facilitate the responsibility of the firm to pay for its upcoming expenses. A business must maintain enough cash balances to meet day to day transactions and to take advantage of the opportunities that may come it way which is very crucial for smooth and reliable business opportunities. Therefore working capital management, particularly cash management is very important as it impacts both profitability and the risk of the firm\textsuperscript{16}

c) **Accounts Receivables Management:** Receivables management forms an important element in the working capital finance of an SME. Efficient management of receivables by an SME is must for sustaining the performance and to achieve growth. According to Pedro Juan Garcia, Trade credit occurs when there is a delay
between the delivery of goods or the provisions of services by a supplier and their payment. For the seller this represents an investment in accounts receivable, while for the buyer it is a source of financing and is classified under current liabilities on the balance sheet. While MSMED Act 2006, provides for more rigorous provisions to counter the problems of delayed payments to the MSMEs, the sense of insecurity of contract prevents them from taking legal action for recovery of dues\textsuperscript{17}.

1.5 Need and Importance of the Study

The SMEs have recently emerged as a strong, dynamic and vibrant sector of the Indian economy and are playing an significant role in the economic development of the country. After agriculture the SMEs are the second largest provider of the employment. The Quick result of the 4\textsuperscript{th} All India census of SME reveals that there are 260.81 lakh SMEs in India which provide employment to 594.61lakhs (approximate) persons. The statistics shows that out of the above employment, 67% are in manufacturing sector and 33% in the service sector. The SME contributes 9% of the GDP in India and 45% of the gross manufactured output of Indian economy and about 45-50% of the Indian exports. SMEs play a vital role in the overall industrial economy of the country by contributing significantly to the manufacturing output, employment and exports. By enhancement of technological capabilities, improving product and service quality to global standards by innovations, SMEs can achieve the sustained growth. The general problems faced by SMEs in India are constrained managerial capabilities, difficulties in exploring technology, raising finance, lack of marketing, low productivity and heavy regulatory burden etc. But a basic problem behind all other problems is lack of finance. So in order to overcome the financial problems of SMEs they should have strong financial management practices, if neglected, this may slow down the development in the economy. In order to facilitate the survival and sustainability of SMEs in Tamil Nadu the research on enhancing Financial management practices is undertaken by the researcher\textsuperscript{18}.
1.6 Scope of the Study

The present study tries to throw light on the varied problems of the financial management practices of SMEs. Further, the study proposes to help the policy makers to formulate certain policies in the light of changing conditions to resolve the problems of Small and Medium sectors. One can probably attribute a large number of business failures in recent years to the inability of financial managers to plan properly and control the current assets and current liabilities of their respective firms. Shortages of funds as well as uncontrolled over-expansion of fund have caused many businesses to fail and in several cases, have stunted their growth. Especially in small firms, financial management may be the factor that decides the success or failure; in large firms, efficient financial management can significantly affect the firm’s risk, return and share price. Thus, the outcome of the study would enable the business firms to conceive the financial strategy which would helpful to achieve the business goal.

1.7 Statement of the Problem

Previous researchers have focused on examining, investigating and describing the behaviour of financial management of Small and Medium Enterprises in terms of Working capital management only. Whereas the present researcher has adopted financial planning, Financial structure management, Maintenance of books of accounts and Capital budgeting or fixed asset management along with working capital management in order to enhance the growth for the survival and sustainability of SMEs in the globalised scenario. The above mentioned research gaps are useful in developing a model on research proposal and research design to ascertain the financial management practices of SME.

Several studies have advocated that fund management is a great hurdle faced by SMEs in India as well as by other countries. The Small- scale Industries find it difficult to cope up with large scale industries due to inadequate and timely finance. Among the difficulties faced, availability of raw material at competitive prices appears to be the greatest. Small units suffer from inadequate work space,
These shortcomings tend to endanger the health of workers and have adversely affected the rate of production. The inefficiency in financial management comes first among managerial problems. The shortage of finance affects the ability of the small units severely. Every kind of problem, whether of raw material, power, transport or marketing essentially turns out to be a problem of finance.

The small and medium scale industry gets elbowed out by the large scale industries in the procurement of bank finance and institutional credit. A serious problem which is hampering small scale sector is its sickness. Many small units have fallen sick due to one problem or the other. Some aggregate economic behaviours of the country such as growth in Gross National Product, availability of credit, volume of money supply, capital market activity or level of investment and price level fluctuations, may have important bearing on industrial sickness in the country. The crux of the problem is very often that of finance. Small Scale Industries are very poor and have little to offer as security for raising finance. In the background of these developments, study on the Financial Management has become desirable to formulate the suitable policy measures to the management to achieve business goal in more comfortable way.

1.8 Objectives of the Study

1. To understand the Personal and Business profile of Small and Medium scale entrepreneurs in Tamil Nadu

2. To study the awareness level of SME entrepreneurs about financial management.

3. To analyse the factors of financial management practices.

4. To find out the association between business background and financial management practices of SME entrepreneurs

5. To establish the relationship between awareness level and the effective financial management practices of SMEs.
1.9 Hypotheses

1. The factors of financial management practices do not differ significantly

2. There is no significant difference among the SME entrepreneurs in the awareness level

3. There is no association between the business background and the financial management practices of SMEs

4. There is no significant relationship between awareness level and effective financial management practices.

1.10 Research Methodology

This study is empirical in nature, consisting of both primary and secondary data. The survey is conducted in two phases, with a pilot study followed by the main study.

1.10.1 Study area

The survey was conducted among the Small and Medium Scale entrepreneurs in Tamil Nadu. Tamil Nadu accounts for the largest number of (15.07 Percentage) Micro, Small and Medium Enterprises (MSMEs) in the country with 6.89 lakhs registered MSMEs, producing over 8,000 varieties of product for a total investment of more than Rs.32,008 crores, across the engineering, electronics, chemicals, plastics, steel, paper, matches, textiles, hosiery, and garment sectors.

Tamil Nadu State has been among the most industrialized in the country with much industrial diversified base. It is ranked top three states in the country in industrial output, value addition, number of factories, and total workforce in the factories. The State has a substantial share in the production of cement, sugar, textiles, leather, chemical and fertilizer, auto, light engineering and others segments in the country. The process of building industrial capacity that is available today in
the State, the role of (i) transport, communication and other forms of industry support infrastructure like (iii) industrial estates, (iv) banking and financial services, (iv) human resources (v) finance has been significant. In the process of the above growth and maturity of industrialization in Tamil Nadu, MSMEs has supported and have been largely supported by large scale industries. The MSME sector is a vibrant and vital sector of the State economy in terms of employment generation and share of production\(^{19}\).

1.10.2 Sampling size and Design

The Sample size of the study was taken on the basis of top ranking MSMEs in Tamil Nadu. The Quick results of All India 4\(^{th}\) census reveals that 94.5\% of these top ranking MSMEs operate as Micro units, thereby leaving 5.5\% only Small and Medium enterprises, which is depicted in the below bar diagram\(^{20}\). For the purpose of present study the population of SMEs in Tamil Nadu is considered and the data of the sample is presented in Table 1.2.

![](image)

**Figure 1.1 Shows the sector Wise MSME**

Source: MSME 2013-14

The primary data are collected through well formulated Questionnaire. Simple random sampling method is applied for generating data. Samples for the purpose of the study are selected randomly. Totally the researcher circulated 530 questionnaires and received 474 from the respondents. After scrutiny 12 of them are formed with flaws. Therefore the researcher rejected those questionnaires and
considered the remaining 462 as the sample size to conduct the research. The details and the sampling distribution are presented in the following table.

### Table 1.2 Top 6 districts of SMEs in TamilNadu

<table>
<thead>
<tr>
<th>Block</th>
<th>Population</th>
<th>Circulation</th>
<th>Received</th>
<th>Rejected</th>
<th>Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chennai</td>
<td>925</td>
<td>232</td>
<td>210</td>
<td>5</td>
<td>205</td>
</tr>
<tr>
<td>Coimbatore</td>
<td>425</td>
<td>106</td>
<td>95</td>
<td>3</td>
<td>92</td>
</tr>
<tr>
<td>Thiruvallur</td>
<td>350</td>
<td>88</td>
<td>80</td>
<td>0</td>
<td>80</td>
</tr>
<tr>
<td>Kancheepuram</td>
<td>154</td>
<td>38</td>
<td>32</td>
<td>2</td>
<td>30</td>
</tr>
<tr>
<td>Tiruppur</td>
<td>152</td>
<td>38</td>
<td>30</td>
<td>2</td>
<td>28</td>
</tr>
<tr>
<td>Erode</td>
<td>120</td>
<td>30</td>
<td>27</td>
<td>2</td>
<td>25</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2126</strong></td>
<td><strong>530</strong></td>
<td><strong>474</strong></td>
<td><strong>12</strong></td>
<td><strong>462</strong></td>
</tr>
</tbody>
</table>

Source: Profile of MSME in Tamil Nadu

### 1.10.3 Simple Random sampling

The unrestricted simple random sample is the purest form of probability sampling. Since all probability samples must provide a known Non-zero probability of selection for each population element, the simple random sample is considered as a special case in which each population elements has a known and equal chance of selection.

**Probability of selection** = Sample size/ Population size.

It requires a list of population elements can be time consuming and expensive and can require larger sample sizes than other probability methods\(^\text{21}\).

**Lottery Method**:

This is an old classical method but it is a powerful technique and modern methods of selection are very close to this method. All the units of the population are numbered on separate slips of paper of same size and colour from 1 to N. This is called sampling frame. They are folded and mixed up in a drum or a box or a
container. A blindfold selection is made. Required numbers of slips are selected for
the desired sample size. The selection of items thus depends on chance\(^2\).

1.10.4 Sample Selection

The sample is applied to collect the primary data. The population of SME
are definite and well defined. The researcher identified 6 districts in Tamil Nadu
which are leading in MSME population such as Chennai, Thiruvallur, Coimbatore,
Kancheepuram, Tiruppur and Erode. The Random selection method is applied in
these areas and the researcher circulated 25\% of questionnaire of the total population
to get the responses.

1.10.5 Questionnaire Design

The primary data are collected through questionnaire survey. The
respondents are asked to give their opinion relating to the five crucial financial
management practices such as Financial planning, analysis and control, financial
structure management, Working Capital management (Inventory management,
Accounts Receivable management, Cash management), Maintenance of books of
accounting and Capital budgeting or fixed asset management. The first part of the
Questionnaire comprises of five Demographic and eight business profile factors of
SMEs with optional questions. The second part includes statements relating to eight
Awareness level of SME entrepreneurs with regard to financial management
practices with Likert’s five point scale. The Third part consists of statements relating
to variables of financial management practices with optional and as well as Likert’s
five point scaling questions. There are five optional type questions and eight Likert’s
five point scale questions for Financial Planning, Analysis and control. There are 5
optional type questions and 8 Likert’s five point scale questions for financial
structure management and 5 optional type questions and 8 Likert’s five point scale
questions for Maintenance of books of accounting. The questionnaire consists of 5
optional type questions and 8 Likert’s five point scale questions for Capital
Budgeting decisions. The research instrument comprises of 5 optional type questions
and 8 Likert’s five point scale questions for Working Capital Management.
1.10.6 Scaling Technique in the Questionnaire

The questionnaire used comprises of both optional type and Statements in Likert’s 5 point scale. The responses of these sections were obtained from the Entrepreneurs of Small and Medium scale enterprises in the 5 point scale, which ranges as follows:

5 – Strongly agree 4 – Agree 3 – Neutral 2 – Disagree 1 – Strongly Disagree

1.15.6 Secondary Data

The Secondary data are collected from MSME annual reports of 2011-15, Policy note of Tamil Nadu, Statistical handbook, Journals, Magazines, Publications, Reports, Books, Dailies, Periodicals, Articles, Research Papers, Websites, Company Publications, Manuals and Booklets, conference papers, working papers etc.

1.15.7 Pilot Study

A pilot study was conducted to validate the questionnaire and to confirm the feasibility of the study. The filled -up Questionnaires were collected from 100 respondents and Cronbach’s Alpha Criterion was applied to test the reliability of the research instrument. The value determined is 0.899 proving the reliability of the instrument. The quality of the questionnaire was ascertained and the test showed high reliability. The variables considered for the analysis are satisfying the normal probability distribution. Based on the pilot study, the questionnaire was modified suitably to elicit the responses from the sample group

1.16 Data Analysis

The Primary data collected are analysed using the SPSS (Statistical Package for Social Sciences) computer packages. The Statistical tools used for obtaining the results are as follows:

1. **Simple percentage analysis** is used to analyse personal and business profile of Small and Medium scale enterprises in Tamil Nadu
2. **T-test** is applied to ascertain the awareness level on financial management problems and general problems among Small and Medium scale enterprises.

3. **K-means cluster analysis** is a set of techniques for grouping similar objects or people and here the researcher used the same to classify to sample unit into heterogeneous groups. This cluster analysis groups the entrepreneurs who are strongly favouring the variables, moderately preferring them and totally disagree the characteristics under the study.

4. **Pearson Chi-square test** analysis is found appropriate to analyse the factors of financial management practices.

5. In order to measure the association between business background and financial management practices of SME entrepreneurs, the **one way Analysis of Variance** is used.

6. The **multiple regression analysis** is found suitable to establish the relationship between awareness level and the effective financial management practices of SMEs.

7. **Structural equation model** is used to find the model fit for the financial management practices.

1.17 **Limitations of the Study**

- The study focuses on the financial management practices of SMEs in 6 Districts of Tamil Nadu only.

- The study provides a general overview of the financial management followed by various entrepreneurs of SMEs.

- The study considers financial management of SMEs with respect to five variables only such as Financial planning, Financial structure
management, Maintenance of books of accounting, Capital budgeting and Working capital management.

- The study is restricted to 462 samples of the total enterprises in SME sector of TamilNadu.

- The information given by the respondents might be biased as some of them might not be interested to give correct information.

- The time of study is restricted only for a period of 3 years from 2012 to 2015.

1.18 Chapter arrangements

Chapter 1: Introduction

Explores the concepts of financial management, research background, objective of the research, scope and significance of the study, Research methodology of the study, limitation and chapterisation

Chapter 2: Review of literature

This chapter presents a shortlist of relevant literature in terms of Small and Medium Scale Enterprises, financial planning, financial structure management, Maintenance of books of accounting, capital budgeting and working capital management.

Chapter 3: Conceptual framework of Small and Medium Scale Enterprises:

This chapter provides an outline of the Entrepreneurship, performance of Small and medium scale enterprises in India, Tamil Nadu and 6 various districts such as Chennai, Coimbatore, Tiruppur, Erode, Thiruvallur and Kancheepuram. It also contains various tools of regulisation and mechanisms of Small and medium scale enterprises in Tamil Nadu such as Financial planning, analysis & control,
Financial structure management, Maintenance of books of accounting, Capital budgeting and Working capital management.

Chapter 4: **Effectiveness of Financial management practices of SMEs- An Analysis-I**

Chapter 5: **Effectiveness of Financial management practices of SMEs- An Analysis-II**

Chapter 6: **Summary of Findings, Suggestions and Conclusion:**

The last chapter presents a summary of the main findings and draws an overall conclusion there from. Based on the experience gained, it also suggests scope for a few more studies in future.
END NOTES:


2. MSME Annual report 2011-12.

3. Tamil Nadu MSME Policy note 2013


7. Ashim Kumar Das .et.al , “Financial management and analysis practices in Small business: An exploratory study in India” retrieved from google


19. Tamil Nadu MSME Policy note 2013


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