



Institutional Financial Support And Its Impact On The Growth And Sustainability Of Micro Enterprises: An Analytical Study In Ranchi District Of Jharkhand

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ABSTRACT

Micro enterprises operate with less capital, traditional machinery and few employees. They need finance for their day-to-day working and overall growth. Financial Institutions (FIs) play a crucial role in providing financial assistance and support at a reasonable rate and for the survival, growth and long-run development of micro enterprises. The researcher conducted the study on the impact of institutional financial support on growth and sustainability of micro enterprises in Ranchi district of Jharkhand. This study used primary data for testing the hypothesis and observed the response of entrepreneurs to know the opinions of respondents on the impact of FI support on growth and sustainability of ME. In this study, the survey method was used to collect data from approx 100 respondents. The researcher used the convenience sampling method for collecting data. After testing the hypothesis from the data collected by the researcher, it is evident that FIs' support had a very crucial impact on effective management and smooth working of micro enterprises. There is a positive relationship between credit support from FIs and growth and longevity of micro enterprises. While conducting this survey, the researcher evaluated that respondents agreed with the fact that financial support, like skill development, advising and guidance programs by the government and FIs, is necessary for the growth and survival of ME. The researcher also found that there are some major challenges which create a hindrance in easy accessibility of loan facilities by micro enterprises from FIs. It is concluded that institutional financial support has a strong, effective, and positive effect on overall growth and development of Micro enterprises.

Key words: - Microenterprise, Financial Institutions, Sustainability, self sufficient

INTRODUCTION

Background of the Study

In the current world situation, with increasing unemployment and poverty levels, micro enterprises (ME) are playing a significant role in generating employment, becoming self-sufficient and improving the living standards of poor people, backward classes, and underprivileged sections of society. They need finance for day-to-day operation and overall growth. Traditionally, small businessmen take loan from informal sources like moneylenders, etc who charge very high interest rates and force small businessmen in a loop of debt. Financial Institutions (FIs) play a crucial role in providing financial assistance and support at a reasonable rate and for the survival, growth and long-run development of ME. Many entrepreneurs have a perfect idea to start a business and all qualities to become an entrepreneur but lack capital to establish a business. FIs provide financial support to them to start a business along with advice and training for survival and growth of the business.

Statement of the Problem

Micro enterprises have a very significant role in economic development and employment generation. But many of the micro Enterprises faces problems or challenges in assessing credit support for maintaining their working capital, expanding their businesses and enhancing their productivity level. This has a negative impact on growth and long term sustainability of micro enterprises. Financial institutions like banks, cooperative societies and government supported schemes play an important role in providing credit support to these enterprises. This study mainly aims to focus on evaluating the effectiveness of credit support provided by financial institutions on long term survival and development of micro enterprises. This study is mainly conducted to analyze the impact of credit support on Micro Enterprises of Ranchi District of Jharkhand. This study also focuses on evaluating the problems faced by micro enterprises (lack of collateral securities, proper documentation and high interest rate) in assessing Credit support from financial institutions. This study aims to analyse the impact of credit support by financial institutions at the local level or district level, like Ranchi District and its impact on working of micro enterprises.

Significance of the Study

The research is very important within the framework of development and sustainability of micro enterprises, in reference of growing district like Ranchi. Micro enterprises in aggregate are the backbone of the economy. So, there is a need to study the growth of micro enterprises. The study will assist us in comprehending the effect of institutional supports like government schemes, banks and financing institutions on micro enterprises. This will make understandable the degree of effect of credit support on development and sustainability of micro enterprises. The study will be helpful for policymakers, as through research's discoveries they will be able to plan greater schemes and policies which will handle the needs of micro entrepreneurs, specifically in Ranchi district. This research will also be useful for financial institutions, as this will help them to know the problems faced by micro entrepreneurs in obtaining credit support. They can take measures to make credit services more approachable and productive. This research will be helpful for micro entrepreneurs, as this will give them knowledge about financial support and its appropriate application, which will help them in handling their business more effectively. The research also has an important significance in filling the gap previous researches, particularly in examining the region-level. This research will also give a foundation to future researchers for their more detailed study.

Scope of the Study

- The main focus of the study is to analyze the impact of institutional financial support on growth and long-term survival or sustainability of ME with special reference to Ranchi district of Jharkhand.
- The study aims to evaluate the relationship between the dependent variable, i.e. growth and survival of micro enterprise and independent variable i.e. credit support, fulfillment of capital requirement, and support in expanding the business by the FIs.
- The researcher will collect the responses of approx 100 respondents of different age group, income and education level through survey method from different area of Ranchi district by preparing questionnaire.
- The study aims to analyze the support of non- financial facilities along with financial support on the development of ME.
- The study also aims to evaluate the major problems faced by enterprises in borrowing loans from banks, Non-banking institutions and government schemes.

LITERATURE REVIEW

1. **Ahmed (2002)** highlights the role of Islamic Microfinance institutions in the growth of ME. Islamic microfinance institutions work on interest-free loan facilities, which help small or poor enterprises in fulfilling their capital needs. The studies compare the traditional financing system and Islamic Microfinance institutions. Islamic Microfinance institutions work on the concept of Profit and loss sharing approach, which helps small enterprises share their risk and financial burden.
2. **Qayyum, A., & Ahmed (2006)** emphasized in the study the Effectiveness and long-term survival of microfinance institution with contest of South Asia. The study highlighted that cost management and a proper loan recovery system are important for effectiveness and growth of Micro finance. Interest on loans is an important source of revenue for the FIs but high interest rate creates burden on borrowers which affects the survival of microfinance institutions.
3. **Ismail and Mislán Condro (2008)** emphasized in this study about the role of Baitul Maal wat Tamwil (BMT) in survival and long-term growth of ME. The research highlighted that BMT helps ME in easy access of interest free loan. The research also highlighted that along with credit support entrepreneurs also need training, advising. The overall study suggests that BMT plays a crucial role in providing ME credit support and its growth.
4. **Nyamsogoro (2010)** emphasized in the study how rural micro finance institutions manage to control their cost, efficient working and long-run survival. The overall study concludes that long-run survival and profitability of micro finance institutions depend upon its cost management techniques and loan recovery efficiency but study also evaluated some of the factors like lack of knowledge about FIs in rural areas and poor infrastructure which create hindrance in the efficient working and long run survival of rural micro FIs.
5. **Babajide (2012)** emphasizes in this study the role of microfinance and credit support provided by it on growth and development of Micro and Small Enterprises with special context of Nigeria. The study said that efficient credit support helps in increasing the productivity level and profit of the enterprises by providing capital for expansion and technology adoption. The research also concludes that along with financial support, the success of Micro and Small Enterprises also depends on managing skills of the entrepreneurs.
6. **Anane et al. (2013)** analyzed the role of Microfinance Institutions on longevity of Small and ME (SMEs) in underdeveloped areas. MFIs act as a formal source of finance in rural areas. The research highlights that efficient financial support helps in increasing production and expanding business. Although the research had evaluated that non-financial sources like training, advising and skill development are also equally important with credit support.

7. **Ferdousi (2015)** emphasized in the study the role of microfinance on the development of entrepreneurship in an economy. This study evaluates that access of capital helps entrepreneurs in establishing business which increases entrepreneurship activity in an economy. The research also emphasizes the support of microfinance in empowerment of women by providing credit support to them in starting businesses. But the study also highlights that training, advising and skill development are also important along with credit support for success and continuity of enterprises.

8. **Rotich et al. (2015)** emphasized in this study the role of credit support and non- financial support provided by microfinance on the growth and development of Small and ME with the special context of Kenya region. The study highlights that credit support to ME helps in establishment and expansion of enterprises, which leads to employment generation in the economy. The study also evaluated that the growth of an enterprises also depends on non financial support like- training, skill development, performance enhancement along with credit support.

9. **Borin et al. (2017)** emphasized in this study the impact of funding on long run growth and survival of Small and ME with a special context of enterprises in cultural and creative sector. The study highlights that funding from various sources like public private and co-operative groups plays an important role in the survival of Small and ME. The research concludes that Small and Micro enterprises should use diversified funding sources to reduce risk.

10. **Rungani and Potgieter (2018)** analyzed the influence of financial support on small, medium, and Micro enterprises. The main focus of the study is to evaluate whether financial support are actually helping the small medium and ME in their success and long term survival. The study also emphasizes that along with credit support training, advising and proper utilization of credit are also important for the success of an enterprise.

11. **Farghly et al. (2018)** emphasized in this study the effect of microfinance on the growth of Medium, Small and ME. The study works on the Triple Bottom Line concept to know the impact of financial support on overall growth and development of ME. The study focuses on social aspects like welfare of the society, environmental aspects like efficient use of resources, sustainable development along with financial support to the enterprises. The study also highlighted that along with financial support, proper guidance and training for efficient utilization of credit support is also important for the overall growth of the enterprise. This study also had many research gaps, like - it is limited to Egypt only, it do not take into consideration other problems related with access of credit support such as collateral securities, documentation issues.

12. **Khoase and Ndayizigamiye (2018)** emphasize in this study the role of supporting institutes (private and public sector) on providing financial accessibility to Small, Micro and Medium Enterprises. The main focus of the study is to compare the difference of private and public sector of Africa and Lesotho in funding of Small, Micro and Medium Enterprises. The study also evaluated that the private sector are more efficient than more efficient in providing credit support but also have strict restrictions and regulations on lending finance.

13. **Chatterjee et al. (2018)** emphasized in this study the factors like financial support, management skills, adaptability capability which help in growth and development of ME. The research highlighted that credit support helps in establishment and expansion of ME and also helps in marinating working capital requirement. The study also evaluates that managerial skills, adaptability qualities and government support like subsidies are also required along with credit support.

14. **Mustapa et al.(2018)** emphasized in this study about the impact of government and FIs initiatives on growth and long run survival of ME. The research highlighted that government support, training and credit facilities helps in expansion and increasing the productivity of enterprises. The study also highlighted that government programs help in providing training and skills development for entrepreneurs, which leads to increasing entrepreneurship activity in the economy. But the study also states that there are many hindrances like lack of proper knowledge about different government initiatives and a lack of accessibility of government to every entrepreneur.

15. **Omondi and Jagongo (2018)** emphasized in this study about the role of microfinance support in the growth and development of Small and ME by young entrepreneurs with special context of Kenya. The study highlighted that financial support helps in the fulfillment of working capital requirements and expansion of the business which result in increasing the revenue of the enterprise. The researcher had evaluated some of the limitations of the study, like it is only limited to Kisumu country and respond respondents are only youth, there may be different result in case of change in location and age group. The overall study concludes that if entrepreneurs are provided with efficient capital support and proper managerial skill it will help in growth and development of SMEs.

16. **Al et al. (2018)** emphasized in their study the effect Entrepreneurial leadership on long-term survival and growth of ME. The study highlighted that working of ME have a great impact on its Sustainability, as entrepreneurial leadership indirectly affect the growth of enterprises. The study also suggests that the government should promote entrepreneurial leadership skills through different training and skill developmental programs.

17. **Quartey and Kotey (2019)** emphasize the effect of government policing on the work of microfinance institutions. The objective of the research is to know if government policing on microfinance is improving the working of microfinance and enabling them to provide more credit support to ME. The study concludes that FIs that are not regulated by government are working more efficient as compare to FIs which are regulated by government.

18. **Cabrero et al. (2019)** emphasized the role of Mutual Guarantee Institutions in making loan accessibility easier for newly family businesses. Mutual Guarantee Institutions help newly family owned business who does not have collateral securities, documentation in credit access, loan facilities from FIs like bank more easily by giving guarantee for businesses.

19. **Odoom et al. (2019)** emphasized in this study about the role of Microfinance Institutions in the growth and development of Ghanaian economy with special context of the Takoradi region. The main focus of the study is to evaluate the impact of Microfinance Institutions on the development of microenterprises. The overall study concludes that the impact of Microfinance has a very significant importance in the growth and development of economy but some hindrances like lack of collateral securities, document and high interest rates restrict the growth of microenterprises.

20. **Raimi and Uzodinma (2019)** emphasized in this study about impact of financial program on growth and development of Micro, Small and Medium Enterprises with context of Nigeria. The research focuses on evaluating the impact of government rules and policies, and financial institution support on enterprise. The research also evaluated that there are still some of the hindrance in providing financial assistance to enterprises like lack of collateral securities, documentation, high interest rate and lack of knowledge about different government schemes and programs.

RESEARCH GAP

After analyzing the literature review of different authors, the researcher can conclude that there are many research gap found on the above studies. The first research gap which researcher had found that approx all these studies are done in a particular geographical reason that is on national or state level. None of the studies is done in Ranchi district of Jharkhand state. So, the researcher decided to continue the study at a more local level that is on district level. The second and important research gap the researcher had found by analyzing the above literature review of the of different authors is approx all the authors mainly focuses on providing financial support to ME for its growth and long term survival. They do not take into consideration the non- financial factors like training, advising and skill development which are important element for the long term survival of ME. The third research gap which the researcher had found by analyzing the above literature review of different authors is approx all the authors talk about the role of credit support in growth and development of ME but only few of them talk about the barriers which exist in accessibility of financial support. Barriers like lack of collateral securities, documentation and high interest rate create hindrance in easy access of credit

support from FIs. So the researcher conducted the study on the impact of institutional financial support on growth and sustainability of ME, challenges faced by these enterprises and importance of non-financial support on growth and sustainability of ME in Ranchi district of Jharkhand.

RESEARCH QUESTION

1. What is the effect of institutional financial support on growth and sustainability of micro enterprises in Ranchi district of Jharkhand?
2. What are the difficulties experienced by micro enterprises in taking aid from FIs?
3. Is other than credit support, other factors like training, mentoring and awareness are also important for the enterprises growth and development of micro enterprises?

RESEARCH OBJECTIVE

1. To analyze the impact of institutional financial support on growth and long run survival of micro enterprises in Ranchi district of Jharkhand.
2. To examine the problems faced by micro enterprises in accessibility of credit support from FIs.
3. To determine the importance of non- financial factors like training, guidance and skill development on growth and development of micro enterprises in Ranchi district of Jharkhand.

HYPOTHESIS

H_0 (Null Hypothesis): There is no considerable effect of institutional financial support on development and longevity on ME of Ranchi district.

H_1 (Alternative Hypothesis): There is a favourable substantial effect of institutional financial support on development and longevity on ME of Ranchi district.

RESEARCH METHODOLOGY

1. **Research design:** The researcher had used survey method to collect data from approx 100 respondent. Researcher had used convenience sampling method for collecting data from different areas of Ranchi district of Jharkhand. For testing of hypothesis the researcher had use Regression analysis method. She had collected the opinions of respondents from different backgrounds on the basis of age group, educational qualifications, income level and stability of business.
2. **Data sources:** The researcher had used primary data for testing of hypothesis and observes the response of entrepreneurs to know the opinions of respondents for FIs support impact on growth and sustainability of ME. The researcher also gathers some secondary data about the economic growth of Ranchi district through different journals.
3. **Data collection method:** The researcher had done survey method for collection of data. Researcher had prepared questionnaire to collect the data from respondents from different areas of Ranchi district. The researcher had used convenience sampling method to select the respondent for collecting data and collected data from different types of respondents on the basis of their age, education level, income inflow of the business and etc.
4. **Sampling technique and sample size:** The researcher had used convenience sampling method for collection of data. As researcher choose the approx 100 respondents according to her convenience from different part of Ranchi district on the basis of data she want to collect.
5. **Region of study:** The study is conducted on ME of Ranchi district of Jharkhand. The main focus of the study to collect the response of entrepreneurs from different region of Ranchi district to know their experience for the support they received from FIs.
6. **Tools of data interpretation:** Researcher had use pie chart and bar graph to analyze the data collected by her through survey. Charts are prepared by the researcher by using MS excel. For

hypothesis testing the researcher had used MS Excel for regression analysis to check the correctness of assumptions made by her.

DATA ANALYSIS AND HYPOTHEISIS TESTING

Demographic profile of respondents

Variable	Category	Frequency	Percentage (%)
Gender		100	100%
	Male	60%	60%
	Female	40%	40%
Age Bracket		100	100%
	20-30	18	18%
	30-45	40	40%
	45-60	31	31%
	60 Above	11	11%
Average Monthly income		100	100%
	Below 10,000	15	15%
	10,000-20,000	42	42%
	Above 20,000	43	43%
Education Level		100	100%
	Primary	14	14%
	Secondary	41	41%
	Higher	45	45%
Loan taken		100	100%
	Yes	65	65%
	No	35	35%
Level of Stability		100	100%
	Very Stable	44	44%
	Stable	38	38%
	Unstable	12	12%
	Very Unstable	6	6%
Source of loan		100	100%
	FIs	62	62%
	Government Scheme	12	12%
	Informal Source	10	10%
	Not Applicable	16	16%

The study is mainly conducted by taking into consideration the micro enterprises in Ranchi district. The main respondents of the study are owners of micro enterprises who had taken credit support from financial institutions. The researcher has collected the responses of about 100 respondents from different parts of Ranchi district and from different micro enterprises of various sectors through the survey method by preparing a structured questionnaire. Out of 100 respondents, 60% were male and the rest 40% were female. The majority of respondents belonged to the age group 30-45. Most of the responding has average monthly income of more than 20,000.

Regression analysis

By analyzing the output received after regression analysis, it can conclude that:-

<i>Regression Statistics</i>	
Multiple R	0.826161106
R Square	0.682542173
Adjusted R Square	0.669175528
Standard Error	0.766897904
Observations	100

Source: Computed by the researcher using MS Excel

- R Square: From above table researcher found that the value of R Square is 0.682542. In percentage terms it can be explained as about 68.25%. It means that FI have about 68.25% impact on growth and sustainability of ME. FIs have about 68.25% impact on growth, expansion, development, profitability and long- term survival of ME.
- Adjusted R Square: From above table researcher found that the value of Adjusted R Square is 0.669176. In percentage terms it can be explained as about 66.91%. It means that the independent variables taken by the researcher during hypothesis testing have about 66.91% impact on growth and development of ME.
- Observation: Observation shows the total number of respondents that researcher had used for collecting data through survey method. In this study the researcher had used very limited i.e.100 respondent throughout the Ranchi district to know the opinions and for observation purpose.

ANOVA table

ANOVA					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	4	120.1274	30.03186	51.06308692	7.14666E-23
Residual	95	55.87258	0.588132		
Total	99	176			

Source: Computed by the researcher using MS Excel

- F: It is the most important part of regression test. F is used to calculate to know whether the overall regression test is statistical significant or not. It is used to analyze if the independent variables have effect on the dependent variable or not. After regression analysis the researcher found that F value of the result is 51.06308692 which mean that there is high level of impact of independent variable on dependent variable i.e. credit support from FIs have an high level of impact on growth and sustainability of ME.
- Significance F: Significance F shows the correctness assumptions made by the researcher. It aim is to evaluate that the null hypothesis is rejected or accepted. The value of Significance F calculated through regression analysis is 7.15E-23 (i.e. 0.000071). Here, Significant $F < 0.05$ which means that the regression model is statistically significant. We can reject the null hypothesis and alternative hypothesis is accepted. So, researcher had concluded that support of FIs have a significant impact on growth and sustainability of ME of Ranchi district.

Coefficient table

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>ower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	-0.249677353	0.198551977	-1.257491148	0.21166	-0.64385285	0.1444981	-0.64385	0.14449815
X Variable 1	0.125858594	0.089224596	1.410581838	0.16163	-0.05127462	0.3029918	-0.05127	0.30299181
X Variable 2	0.346752443	0.075931288	4.566660889	1.5E-05	0.196009781	0.4974951	0.19601	0.4974951
X Variable 3	0.446162688	0.086772665	5.14174238	1.5E-06	0.273897172	0.6184282	0.273897	0.6184282
X Variable 4	0.310718182	0.086625321	3.58692098	0.00053	0.13874518	0.4826912	0.138745	0.48269118

Source: Computed by the researcher using MS Excel

- **Coefficients:** Coefficients show the nature of the impact of FIs on growth and long-term survival of ME. The researcher calculated the values of Coefficients of all independent variables through regression analysis, and she concluded that all the Coefficients value is positive, which indicates that all independent variables have a positive impact on the growth and sustainability of ME. It means that with an increase in effectiveness of FIs, the chance of growth and sustainability of ME also increases.
- **P- Value:** P- Value shows the crucial impact of various independent variables on growth and sustainability of ME. Through evaluating the P-value of the data collected, the researcher concluded that-
 - I. Responses are not too satisfied with the growth in their business after credit support. They think that credit support from FIs does not have a major impact on ME growth, because FIs' support does not have much impact on the sustainability of ME.
 - II. Responses are highly satisfied with the statement that credit support from FIs helps them in fulfilling their capital requirement and improving the profitability of their enterprise. Which leads to confirm that FIs' support had an impact on the growth and sustainability of ME.
 - III. Responses are highly satisfied with the fact that financial institutions support and help them in expanding their business by hiring new employees. This clarifies that FIs' support has an effective impact on the growth and sustainability of ME.
 - IV. Responses are highly satisfied with the fact that support from FIs is necessary for the growth and sustainability of ME. It has a very effective and positive impact on the development and long-term survival of ME.

HYPOTHESIS TESTING RESULTS

H₁ (Alternative Hypothesis): There is a favourable substantial effect of institutional financial support on development and longevity on ME of Ranchi district.

The p-value obtained from regression analysis, which is done by the researcher with the help of MS Excel, is less than 0.05. Therefore, the null hypothesis can be rejected, and the alternative hypothesis can be accepted. So, it can be concluded that Financial institutions' support has a very important and positive impact on the growth and sustainability of micro enterprises.

OBJECTIVE – WISE ACHIEVEMENT OF OBJECTIVES

Objective 1: To analyse the impact of institutional financial support on growth and long-run survival of micro enterprises in Ranchi district of Jharkhand.

Achievement status: Achieved

Through regression analysis, the researcher analysed that there is a positive relationship between institutional financial support and long-term survival and growth of micro enterprises. If a micro enterprise is given proper, efficient and timely financial support, it leads to enhancing their productivity, profitability and expanding their business.

Objective 2: To examine the problems faced by micro enterprises in accessibility of credit support from FIs.

Achievement status: Achieved

Through the survey conducted by the researcher in different parts of Ranchi, it is found that owners of micro enterprises face many problems like lack of proper collateral securities, high interest rates, high documentation work, complex and long loan process. These challenges restrict entrepreneurs from taking credit support from financial institutions.

Objective 3: To determine the importance of non- financial factors like training, guidance and skill development on growth and development of micro enterprises in Ranchi district of Jharkhand.

Achievement status: Achieved

The researcher found that many respondents agree that non-financial support like training, skill development, and guidance are equally important for growth and long-term survival of micro enterprises.

Major findings

- There is a positive relationship between credit support from FIs and growth and longevity of ME. With an increase in support from FIs, the chances of growth and development of the enterprise also increase.
- The researcher found that after receiving credit support from FIs, ME head able to grow and expand their business.
- While conducting this survey, the researcher found that respondents agreed with the fact that financial support, like skill development, advising and guidance programs by government and FIs, are necessary for growth and survival of ME.
- The researcher also found that there are some major problems (High interest rates, lack of collective securities, long and complex borrowing process) which create a hindrance in easy accessibility of loan facilities by ME from FIs.
- This research also emphasizes that there is a positive relationship between the independent and dependent variable and independent variable (FIs support) has a strong impact on the dependent variable (micro enterprises growth and long term survival).

Conclusions

- Institutional financial support has a strong, effective and positive effect on overall growth and development of ME. Through hypothesis testing done by the researcher, it is concluded that there is a positive impact of independent variables like efficient credit support, timely credit support for growth, and credit support to fulfil capital requirement.
- The researcher concludes that problems like lack of collateral securities, high interest rate, lack of awareness among respondent at a major Barriers easy accessibility of credit support from banks, non-banking institutions, Government schemes.
- The researchers conclude that there is a strong positive and direct relationship between Credit support from FIs and the development of micro enterprises. An increase in financial support from FIs also leads to enhancement in growth and development of ME.
- While conducting the survey, the researcher deduces that non-financial support (skill development programs, guidance) is also essential for the long-term survival of ME.

Suggestions

- The researcher suggested that if entrepreneurs are provided collateral– free loan or low interest loan, this will reduce the burden of loan repayment and increase financial inclusion in an economy, especially regions like Ranchi where ME is a major source of employment for many people.
- Complex and slow loan process also discourage individual to take credit facility form banks or any other financial institution. Necessary steps should be taken to simplify the loan approval process.
- Government should take necessary steps together with the support of FIs to spread knowledge about various government schemes and programs for development of ME in the economy.
- Government, with the support of FIs, should launch programs for providing training and managerial skills to entrepreneurs, women and middle age group of Ranchi district. Training and skill development programs should also be started in online mode for the convenience of people.

Future scope

- As this research is done in the Ranchi district of Jharkhand. Further study can be done in any district of Jharkhand, or in any state other than Jharkhand or between two states and districts.
- The number of samples taken by the researcher for survey purposes is only 100; further study can be conducted in depth with a larger sample size for better knowledge and clarification.
- This research is done to know the impact of financial institution support on ME. In future, the study can be conducted by taking into consideration small and medium enterprises also. This means that future research can be done to analyse the role of credit support by banks and government schemes on MSMEs.
- This study does not deeply analyse the impact or importance of non- financial support on ME development and long term survival. Further research can be done to analyse the impact of non-financial support by FIs on growth and survival of ME.
- Further studies can be conducted by analyzing the impact of FIs' support in micro enterprises of different sectors.

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