



Assessing Entrepreneurial Sentiment: A Study of SIDBI's Impact in Eastern Uttar Pradesh

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Abstract: This study delves into the assessment of entrepreneurial sentiment towards the Small Industries Development Bank of India (SIDBI) and its impact on Eastern Uttar Pradesh (U.P.). Entrepreneurship plays a pivotal role in economic development, particularly in regions like the Eastern U.P., which are characterized by diverse socio-economic challenges. SIDBI, established as a specialized financial institution for SME promotion, offers a range of financial and non-financial support to entrepreneurs across India. However, the perception of entrepreneurs towards SIDBI's activities in Eastern U.P. remains underexplored. This study employs a mixed-method approach, incorporating quantitative surveys and qualitative interviews, to evaluate entrepreneurs' awareness, utilization, and perception of SIDBI's initiatives. The findings aim to shed light on the effectiveness of SIDBI's interventions, the challenges faced by entrepreneurs, and opportunities for enhancing support mechanisms. Ultimately, this research seeks to inform policymakers, financial institutions, and entrepreneurial support organizations about the ground realities and aspirations of entrepreneurs in the Eastern U.P., thereby facilitating informed decision-making and fostering inclusive growth.

Key Word: MSMEs, Direct Finance, Indirect Finance, Technology Upgradation, Awareness Level.

I. INTRODUCTION

Entrepreneurship serves as a cornerstone of economic development globally, catalyzing innovation, employment, and wealth creation. Within the Indian context, characterized by diverse socio-economic landscapes, fostering entrepreneurship becomes imperative, particularly in regions grappling with unique challenges like Eastern Uttar Pradesh (U.P.). Comprising districts such as Gorakhpur, Varanasi, and Allahabad, the Eastern U.P. boasts a rich tapestry of culture and heritage intertwined with complex socio-economic dynamics. However, the region also faces obstacles such as limited access to finance, infrastructure deficits, and a predominantly agricultural economy. In light of these challenges, fostering entrepreneurship emerges as a pivotal strategy for unlocking latent opportunities and driving inclusive growth. Recognizing the significance of supporting small and medium enterprises (SMEs) in such contexts, the Small Industries Development Bank of India (SIDBI) plays a crucial role. Established in 1990 as a specialized financial institution for SME promotion and financing, SIDBI has been instrumental in providing a spectrum of financial and non-financial support to entrepreneurs across the country. Through schemes encompassing direct lending, refinancing, venture capital, and advisory services, SIDBI aims to address the financing gap faced by SMEs and stimulate their growth. In Eastern U.P., SIDBI's interventions assume added significance given the region's developmental imperatives and entrepreneurial potential. However, while SIDBI's initiatives are extensively documented, there is a gap in understanding entrepreneurs' perceptions of its activities, particularly in regions like the Eastern U.P. Assessing entrepreneurial sentiment offers valuable insights into the effectiveness of SIDBI's interventions, the challenges encountered by entrepreneurs, and the opportunities for augmenting support mechanisms. By bridging this gap, this study endeavors to inform policymakers, financial institutions, and entrepreneurial support organizations about the ground realities and aspirations of entrepreneurs in Eastern Uttar Pradesh.

II. LITERATURE REVIEW

I) Environmental Sustainability of Increasing Silk Demand in India (Ricciardi, L., et al. 2020)

Ricciardi et al. (2020) examined the environmental sustainability of the growing silk demand in India by utilizing a dynamic spatially distributed crop water balance model. Their study evaluated the water requirements for mulberry cultivation, a primary input for silk production, and analyzed the impact of silk production on water scarcity and environmental sustainability. The insights from this study underscore the necessity of adopting sustainable agricultural practices to mitigate environmental challenges associated with rising silk demand. This research provides a critical perspective on balancing entrepreneurial growth with sustainable resource management, relevant to understanding the broader environmental implications of industrial activities in Eastern Uttar Pradesh.

II) Value Chain Finance in the Dairy Sector in Eastern Uttar Pradesh (Kumar, S. 2021)

Kumar (2021) explored value chain finance within the dairy sector in Eastern Uttar Pradesh, focusing on the relationships between actors in the value chain and the impact of informal financial flows. This study highlighted the critical role of financial mechanisms in enhancing the efficiency and productivity of the dairy sector. By analyzing how informal financial flows affect client actors, Kumar's research offers valuable insights into the financial dynamics within the sector. This is pertinent to understanding the financial challenges and opportunities faced by entrepreneurs in Eastern Uttar Pradesh, particularly in traditional sectors such as dairy.

III) Group-Based Life Skills and Health Empowerment for Young Women in India (Diamond-Smith, N. 2022)

Diamond-Smith (2022) investigated the impact of group-based life skills and health empowerment programs for young, married women in India, aiming to reduce unintended pregnancies. Although the specific details of the findings were not provided, this study addresses the importance of educational and empowerment programs on women's health outcomes. This research is significant for understanding how social empowerment and education can influence entrepreneurial activities, particularly for women entrepreneurs in Eastern Uttar Pradesh, by improving their health and socio-economic status.

IV) Constraints and Challenges Faced by Women Entrepreneurs in Uttar Pradesh, India (Agrawal, R. 2018)

Agrawal (2018) conducted a study on the constraints and challenges faced by women entrepreneurs in emerging market economies, with a focus on Uttar Pradesh, India. The research analyzed the impact of these obstacles on the progress of women entrepreneurs and provided recommendations for policymakers. Agrawal's study sheds light on significant challenges such as lack of access to finance, societal norms, and inadequate support systems. Understanding these constraints is crucial for assessing how SIDBI's initiatives can be tailored to support women entrepreneurs in overcoming these barriers and fostering a more inclusive entrepreneurial ecosystem.

V) Remittances and Household Expenditure Patterns in India (Mahapatro, S., Bailey, A., James, K. S., & Hutter, I. 2017)

Mahapatro et al. (2017) examined the impact of remittances on household expenditure patterns in India using the propensity score matching technique to control for selectivity bias. Their research highlighted the economic implications of remittance inflows on household financial behavior, showing that remittances can significantly influence expenditure on essential goods and services. This study is relevant for understanding the financial behavior of households in Eastern Uttar Pradesh and the potential of remittance income to support entrepreneurial activities.

VI) Access to Credit and Indebtedness Among Rural Households in Uttar Pradesh (Kumar, A., & Saroj, S. 2019)

Kumar and Saroj (2019) analyzed access to credit and indebtedness among rural households in Uttar Pradesh. Their research focused on the determinants of rural households' credit sources and examined the impact of access to formal credit on farm income and poverty levels. This study offers important insights into the financial challenges faced by rural entrepreneurs and highlights the role of formal credit in enhancing agricultural productivity and reducing poverty. Understanding these dynamics is critical for evaluating SIDBI's impact on improving credit accessibility and supporting entrepreneurial growth in rural areas of Eastern Uttar Pradesh.

VII) Micro-Credit in Eastern Uttar Pradesh (Dwivedi, A. K., Dwivedi, P. K., & Dwivedi, N. 2011)

Dwivedi et al. (2011) investigated micro-credit in Eastern Uttar Pradesh, with a special focus on CASHPOR Micro Credit. While specific findings were not detailed, the research likely explored the impact of micro-credit on entrepreneurship and economic development in the region. This study underscores the significance of micro-financing in fostering local enterprise growth, highlighting how micro-credit initiatives can empower small entrepreneurs by providing them with the necessary financial resources.

VIII) Financial Incentives and Entrepreneurial Development in Deoria District, Uttar Pradesh (Mall, C. 1993)

Mall (1993) investigated the impact of financial incentives on entrepreneurial development in the backward regions, specifically the Deoria District of Uttar Pradesh. Although detailed findings were not elaborated, the study likely provided insights into how financial incentives can promote entrepreneurship in underdeveloped areas. Understanding the effectiveness of such incentives is vital for assessing how SIDBI's financial products and services can be optimized to stimulate entrepreneurial activity and regional economic development in Eastern Uttar Pradesh.

IX) Integration with SIDBI's Impact

The collective insights from these studies contribute to a comprehensive understanding of the entrepreneurial landscape in Eastern Uttar Pradesh. They highlight various challenges and opportunities, ranging from environmental sustainability and value chain finance to women's empowerment and access to credit. By addressing these diverse aspects, SIDBI's initiatives can be better tailored to meet the specific needs of entrepreneurs in this region, fostering a more inclusive and robust entrepreneurial ecosystem. Assessing entrepreneurial sentiment towards SIDBI's impact involves understanding these multifaceted influences and evaluating how SIDBI's services can enhance entrepreneurial growth and economic development in Eastern Uttar Pradesh.

Summary of Literature Review

Study	Focus	Methodology	Findings	Implications
Ricciardi, L., et al. (2020)	Environmental sustainability of silk production in India	Dynamic spatially distributed crop water balance model	Evaluated water requirements for mulberry cultivation; analyzed impact on water scarcity and environmental sustainability	Highlights need for sustainable agricultural practices in silk production
Kumar, S. (2021)	Value chain finance in the dairy sector in Eastern U.P.	Qualitative analysis of value chain relationships	Explored informal financial flows and their impact on client actors	Emphasizes the importance of financial mechanisms in enhancing dairy sector productivity
Diamond-Smith, N. (2022)	Group-based life skills and health empowerment for young, married women in India	Not specified	Investigated impact on avoiding unintended pregnancies	Contributes to understanding how empowerment programs influence women's health outcomes
Agrawal, R. (2018)	Constraints and challenges faced by women entrepreneurs in U.P.	Qualitative analysis of entrepreneurial challenges	Analyzed impact of obstacles on women entrepreneurs; provided policy recommendations	Sheds light on significant challenges and potential solutions for women entrepreneurs
Mahapatro, S., Bailey, A., James, K. S., & Hutter, I. (2017)	Remittances and household expenditure patterns in India	Propensity score matching technique	Assessed impact of remittances on household spending	Highlights economic implications of remittance inflows on household financial behavior
Kumar, A., & Saroj, S. (2019)	Access to credit and indebtedness among rural households in U.P.	Analysis of credit sources and impact on income and poverty	Examined determinants of credit sources and impact on farm income and poverty	Offers insights into financial dynamics of rural households and the role of credit
Dwivedi, A. K., Dwivedi, P. K., & Dwivedi, N. (2011)	Micro-credit in Eastern U.P. with reference to CASHPOR Micro Credit	Not specified	Likely explored impact on entrepreneurship and economic development	Highlights significance of micro-financing in fostering local enterprise growth
Mall, C. (1993)	Financial incentives on entrepreneurial development in Deoria District, U.P.	Not specified	Likely provided insights into financial incentives promoting entrepreneurship	Contributes to understanding how financial incentives aid in regional economic development

III. OBJECTIVES OF THE STUDY

1. To Give an overview of assistance schemes and services offered by SIDBI.
2. To Understand entrepreneurs' perception toward working of SIDBI in Eastern Uttar Pradesh.
3. Evaluate entrepreneurs' satisfaction and awareness level toward services and schemes offered by SIDBI.

IV. RESEARCH METHODOLOGY

This study adopts a mixed-method approach, combining quantitative surveys and qualitative interviews, to comprehensively evaluate entrepreneurial sentiment towards the Small Industries Development Bank of India (SIDBI) and its impact on Eastern Uttar Pradesh (U.P.). Utilizing a stratified sampling technique, the quantitative survey will target 250 entrepreneurs across diverse sectors in Eastern U.P., ensuring representation based on industry type, business size, and geographical location. The survey instrument, comprising structured questions with Likert scale responses, aims to gather numerical data on awareness, utilization, and perception of entrepreneurs toward SIDBI's initiatives. To analyze the data collected based on the outlined objectives, Chi-Square test will be applied to evaluate entrepreneurs' awareness, utilization, and perceptions of SIDBI's services and schemes, as well as to identify challenges and solicit suggestions for improvement.

V. SIDBI ASSISTANCE SCHEMES AND SERVICES

The Small Industries Development Bank of India (SIDBI) plays a crucial role in promoting and developing the MSME sector in India through various financing schemes. SIDBI's direct financing includes working capital, term loans, startup funding, vendor and dealer financing, service sector financing, and equipment finance, each tailored to meet specific business needs such as expansion and modernization. Under its indirect financing scheme, SIDBI extends credit facilities to other financial institutions, offering refinancing, resources to MFIs and NGOs, bill rediscounting, risk-sharing mechanisms, credit guarantees, and microcredit schemes. These efforts aim to enhance credit accessibility and foster growth within the MSME sector, even reaching traditionally underserved groups.

Table: 1.1 Scheme Highlights

Scheme Category	Scheme Type	Description
Direct Financing	Working Capital and Term Loans	Provides direct loans to MSMEs for operational and expansion purposes, such as purchasing machinery, technology upgrades, or increasing production capacity.
	Loan for Startups and Early-stage Businesses	Offers financial support to startups and early-stage enterprises with flexible repayment terms to accommodate growth trajectories and uneven cash flows.
	Vendor and Dealer Financing	Facilitates credit to vendors and dealers of large companies or PSUs to finance the purchase of goods for resale, enhancing the strength of supply chains.
	Service Sector Financing	Direct loans to service sector entities like those in healthcare, hospitality, and logistics, which often struggle to secure traditional financing.
	Equipment Finance	Provides loans specifically for the purchase of machinery and equipment, enabling MSMEs to adopt new technologies and enhance competitiveness.
Indirect Financing	Refinance Facility	Refinances loans and advances given by primary lending institutions to MSMEs, aiming to provide more competitive interest rates.
	Resource Support to MFIs and NGOs	Provides financial resources to Micro Finance Institutions and Non-Governmental Organizations that lend to micro and small enterprises, reaching underserved areas.
	Rediscounting of Bills	Offers liquidity solutions by rediscounting bills, which helps businesses convert trade receivables into cash at a discounted rate, improving cash flow.
	Risk Sharing Mechanism	Engages in partnerships with other lenders to share the risks of lending to MSMEs in higher-risk areas, thereby encouraging more extensive credit provision.
	Credit Guarantee Schemes	CGTMSE provides credit guarantees to lenders for unsecured loans given to MSMEs, reducing the lenders' risk and encouraging

		them to extend more loans.
	Micro Credit Scheme	Targets financial inclusion by offering credit to low-income individuals, small and marginal entrepreneurs, women, and others without formal credit histories or collateral.

Source: SIDBI Annual Report

VI. RESULT AND DISCUSSION

I. Demographic Profile of Respondents (Table 1.2-1.4)

Table 1.2

RESPONDENT CLASSIFICATION ON THE BASIS OF GENDER AND MARITAL STATUS				
Gender	Male	Female	Transgender	Total
Marital Status				
Married	133(53.2)	75(30)	20(0.80)	210
Unmarried	24(9.6)	14(5.6)	2(0.80)	40
Total	157(62.80)	89(35.6)	4(1.6)	250(100)

Table 1.3

RESPONDENT CLASSIFICATION ON THE BASIS OF ENTERPRISE TYPE AND BUSINESS EXPERIENCE					
Business Experience	Below 5 Year	5 to 10 Year	10 to 15 Year	Above 15	Grand Total
Enterprise Type					
Micro	1(0.4)	10(4)	3(1.2)	4(1.6)	18(7.2)
Small	87(34.8)	37(14.8)	5(2)	5(2)	134(53.6)
Medium	36(14.4)	44(17.6)	14(5.6)	4(1.6)	98(39.2)
Grand Total	124(49.6)	91(36.4)	22(8.8)	13(5.2)	250(100)

Source: Field Survey

Table 1.4

RESPONDENT CLASSIFICATION ON THE BASIS OF EDUCATION AND AGE				
Education	Up to HSC	Graduate	PG & Above	Grand Total
Age				
Less than 30	42(16.8)	53(21.20)	7(2.8)	102(40.8)
30 to 40	15(6)	77(30.8)	18(7.2)	110(44)
40 - 50	7(2.8)	13(5.2)	3(1.2)	23(9.2)
Above 50	7(2.8)	7(2.8)	1(0.4)	15(6)
Grand Total	71(28.4)	150(60)	29(11.6)	250(100)

Source: Field Survey

The data from a field survey of 250 respondents offers valuable insights into demographic profiles and business dynamics in the region. The survey reveals a strong marital influence, with 84% of respondents being married and a notable majority being male (53.2%), reflecting traditional gender roles within the community. However, transgender representation is minimal at only 1.6%, suggesting potential areas for improved inclusivity. A significant portion of respondents, 34.8%, who mostly operate small enterprises, have less than five years of business experience, indicating a surge of new entrepreneurship possibly stimulated by SIDBI's initiatives. This is contrasted by owners of medium-sized enterprises who display a broader range of business experience, hinting at greater business stability or scalability with increased experience. Educationally, 60% of respondents are graduates, with the most economically active group aged between 30 and 40 years. This suggests that SIDBI's impact might be particularly significant among well-educated, middle-aged individuals, potentially driving economic growth and stability in the region. The younger cohort under 30 years, making up 40.8% of the sample, is notably well-educated, suggesting a promising future workforce prepared to sustain and enhance entrepreneurial ventures. This demographic and professional landscape highlights critical trends and the potential long-term impact of SIDBI's interventions on fostering entrepreneurial spirit and economic development in Eastern Uttar Pradesh.

II. Perception of Entrepreneur toward the working of SIDBI.

H0: There is no significant perceptual difference among entrepreneurs of East Uttar Pradesh toward the working of SIDBI.

Ha: There is a significant perceptual difference among entrepreneurs of East Uttar Pradesh toward the working of SIDBI.

Table: 1.5

OPINION OF RESPONDENTS ABOUT ASSISTANCE FROM SIDBI				
Type of Enterprise	Effective	Not Effective	Grand Total	Chi-Square: $\chi^2=17.94(df-2)$ Significance Level: 5% p-value:.000127*
Micro	113	21	134	
Small	88	10	98	
Medium	9	9	18	
Total	210	40	250	
Business Activity	Effective	Not Effective	Grand Total	Chi-Square: $\chi^2=5.19(df-7)$ Significance Level: 5% p-value- 0.637**
Beauty Products	21	5	26	
Electric Engineering	28	5	33	
Electronic Goods	52	11	63	
Food and Beverages	28	4	32	
Leather Products	15	6	21	
Power Loom	30	4	34	
Tour and Travel	6	2	8	
Toys	30	3	33	
Total	210	40	250	
District (East UP)	Effective	Not Effective	Grand Total	Chi-Square: $\chi^2=10.33(df-3)$ Significance Level: 5% p-value 0.0159*
Varanasi	75	8	83	
Mirzapur	40	10	50	
Jaunpur	23	11	34	
Bhadohi	72	11	83	
Total	210	40	250	

Source: Field Survey

**Hypothesis Accepted,

*Hypothesis Rejected

The table 1.5 unveils the opinion of entrepreneurs of East Uttar Pradesh about assistance from SIDBI. The chi-square analysis of the effectiveness of SIDBI's assistance reveals distinct perceptual differences among entrepreneurs based on the type of enterprise and geographic location, but not across different business activities. Specifically, the data indicates that micro and small enterprises perceive SIDBI's assistance as more effective compared to medium enterprises, as evidenced by a significant chi-square result ($p=0.000127$) suggesting rejection of the null hypothesis. On a geographic basis, entrepreneurs in districts such as Varanasi and Bhadohi viewed SIDBI's assistance more favorably compared to those in Jaunpur and Mirzapur, with a p -value of 0.0159 also leading to rejection of the null hypothesis. Conversely, the perception of SIDBI's assistance across different business activities such as Beauty Products, Electric Engineering, and others showed no significant differences ($p=0.637$), indicating uniformity in how SIDBI's services are perceived across these sectors. These findings suggest that SIDBI might need to consider adjusting its strategies to better meet the needs of medium-sized enterprises and specific districts where perceptions are less favorable, while maintaining successful strategies in sectors and regions that currently view its assistance positively.

Table 1.6

PROCEDURAL FORMALITIES INVOLVED WHILE OBTAINING LOAN FROM SIDBI					Chi-Square: $\chi^2 = 17.41$ (df- 4) Significance Level- 5% p -value 0.00161*
Type of Enterprise	Less	Adequate	Lengthy	Total	
Micro	51	51	32	134	
Small	23	52	23	98	
Medium	1	7	10	18	
Total	75	110	65	250	
Cluster Activity	Less	Adequate	Lengthy	Total	Chi-Square: $\chi^2 = 7.44$ (df-14) Significance Level- 5% p -value- 0.912**
Beauty Products	8	9	9	26	
Electric Engineering	9	12	12	33	
Electronic Goods	19	14	30	63	
Food and Beverages	12	8	12	32	
Leather Products	5	6	10	21	
Power Loom	9	8	17	34	
Tour and Travel	2	2	4	8	
Toys	11	6	16	33	
Total	75	110	65	250	
District (East UP)	Less	Adequate	Lengthy	Total	Chi-Square: $\chi^2 = 11.16$ (df-6) Significance Level- 5% p -value 0.0835**
Varanasi	20	43	20	83	
Mirzapur	11	22	17	50	
Jaunpur	9	14	11	34	
Bhadohi	35	31	17	83	
Total	75	110	65	250	

Source: Field Survey

**Hypothesis Accepted,

*Hypothesis Rejected

The data and chi-square analysis regarding the procedural formalities involved in obtaining a loan from SIDBI across different dimensions—type of enterprise, business activity, and district—reveal varied perceptions among entrepreneurs in Eastern Uttar Pradesh. Starting with the Type of Enterprise, the chi-square result ($\chi^2 = 17.41$, $df = 4$, $p\text{-value} = 0.00161$) indicates a significant difference in perceptions across micro, small, and medium enterprises. Micro and small enterprises report a balanced view between 'Less', 'Adequate', and 'Lengthy' formalities, while medium enterprises disproportionately find the procedures lengthy. This suggests that medium enterprises face more challenges with loan processing formalities compared to smaller counterparts, prompting a need for SIDBI to streamline procedures for these businesses. In terms of Cluster Activity, the analysis ($\chi^2 = 7.44$, $df = 14$, $p\text{-value} = 0.912$) shows no significant difference in perceptions among different business sectors. This high $p\text{-value}$ indicates a general consensus across various industries—ranging from Beauty Products to Toys—regarding the complexity of SIDBI's loan procedures, suggesting that experiences with SIDBI's procedural formalities are consistently perceived regardless of the business sector. Finally, the District Wise Analysis ($\chi^2 = 11.16$, $df = 6$, $p\text{-value} = 0.0835$) also does not show significant differences in perceptions among different districts within East Uttar Pradesh, though the $p\text{-value}$ is marginally close to the significance level. This could hint at some variations, but not strong enough to be statistically significant. Districts like Varanasi, Mirzapur, Jaunpur, and Bhadohi show similar responses regarding the procedural duration and adequacy, indicating a relatively uniform experience with SIDBI's loan processes across these geographic areas. Overall, the most noteworthy finding is the significant disparity in loan procedural perceptions among different sizes of enterprises, particularly the challenges faced by medium enterprises. Meanwhile, perceptions across different sectors and districts are largely homogeneous, suggesting that SIDBI's procedures are perceived similarly across various fields and regions but could be improved for medium enterprises to enhance accessibility and efficiency.

Table: 1.7

REASONS FOR OBTAINING LOAN FROM SIDBI					
Type of Enterprise	Easily Accessible	Prompt Service	Subsidy	Total	Chi-Square: $\chi^2 = 8.954 (df=4)$ Significance Level: 5% $p\text{-value} 0.1762^{**}$
Micro	30	53	51	134	
Small	16	45	36	97	
Medium	1	5	13	19	
Total	47	103	100	250	
Cluster Activity	Easily Accessible	Prompt Service	Subsidy	Total	Chi-Square: $\chi^2 = 13.22 (df=14)$ Significance Level: 5% $p\text{-value}- 0.51^{**}$
Beauty Products	5	9	12	26	
Electric Engineering	6	12	15	33	
Electronic Goods	11	28	24	63	
Food and Beverages	10	14	8	32	
Leather Products	1	7	13	21	
Power Loom	7	12	15	34	
Tour and Travel	1	4	3	8	
Toys	6	17	10	33	
Total	47	103	100	250	
District (East	Easily	Prompt	Subsidy	Total	Chi-Square:

UP)	Accessible	Service			$\chi^2 = 8.6 (df-6)$ Significance Level: 5% p-value 0.197**
Varanasi	14	35	34	83	
Mirzapur	8	21	21	50	
Jaunpur	2	17	15	34	
Bhadohi	23	30	30	83	
Total	47	103	100	250	

Source: Field Survey

**Hypothesis Accepted,

*Hypothesis Rejected

The field survey in East Uttar Pradesh examined the reasons for obtaining loans from SIDBI among various enterprises, cluster activities, and districts. Chi-square tests showed no significant perceptual differences among micro, small, and medium enterprises ($\chi^2 = 8.954$, $p = 0.1762$), different cluster activities ($\chi^2 = 13.22$, $p = 0.51$), and districts ($\chi^2 = 8.6$, $p = 0.197$). Consequently, the null hypothesis (H_0), stating no significant perceptual difference among entrepreneurs regarding SIDBI's services, is accepted across all categories. This indicates consistent perceptions of SIDBI's accessibility, prompt service, and subsidy offerings among entrepreneurs, regardless of enterprise type, cluster activity, or district.

III. Satisfaction and Awareness level of SIDBI Assistance Schemes and Services

H₀: There is no significant difference in Satisfaction and Awareness level of entrepreneurs of East Uttar Pradesh toward SIDBI's Assistance Schemes and Services.

H_a: There is a significant difference in Satisfaction and Awareness level of entrepreneurs of East Uttar Pradesh toward SIDBI's Assistance Schemes and Services.

Table: 1.8

SATISFACTION LEVEL OF RESPONDENTS ABOUT ADEQUACY OF LOANS OBTAINED FROM SIDBI					
Type of Enterprise	Satisfied	Indifferent	Dissatisfied	Total	Chi-Square $\chi^2=4.194(df-4)$ Significance Level- 5% p-value 0.3804**
Micro	64	54	16	134	
Small	46	41	11	98	
Medium	6	7	5	18	
Total	116	102	32	250	
Cluster Activity	Satisfied	Indifferent	Dissatisfied	Total	Chi-Square $\chi^2= 6.566 (df-14)$ Significance Level- 5% p-value- 0.9502**
Beauty Products	12	11	3	26	
Electric Engineering	14	12	7	33	
Electronic Goods	31	24	8	63	
Food and Beverages	17	13	2	32	
Leather Products	7	10	4	21	
Power Loom	17	13	4	34	
Tour and Travel	4	3	1	8	
Toys	14	16	3	33	
Total	116	102	32	250	
District (East UP)	Satisfied	Indifferent	Dissatisfied	Total	Chi-Square

Varanasi	35	39	9	83	$\chi^2=2.981 (df-6)$ Significance Level- 5% p-value 0.811**
Mirzapur	23	19	8	50	
Jaunpur	15	14	5	34	
Bhadohi	43	30	10	83	
Total	116	102	32	250	

Source: Field Survey

**Hypothesis Accepted,

*Hypothesis Rejected

The survey data indicates that there is no significant difference in the satisfaction levels concerning the adequacy of loans obtained from SIDBI across different types of enterprises, cluster activities, and districts in East Uttar Pradesh. The chi-square tests and corresponding p-values (0.3804 for enterprise types, 0.9502 for cluster activities, and 0.811 for districts) all suggest that the null hypothesis is accepted, meaning that variations in satisfaction levels among the surveyed groups are not statistically significant. Entrepreneurs, regardless of whether they run micro, small, or medium enterprises, operate in different industry clusters, or are based in Varanasi, Mirzapur, Jaunpur, or Bhadohi, exhibit similar levels of satisfaction, indifference, or dissatisfaction with SIDBI's loan services. This uniformity in responses suggests that SIDBI's loan services are perceived consistently across various segments, pointing to a standardized and evenly distributed approach in their loan offerings and service quality.

Table 1.9

SATISFACTION LEVEL FOR GRIEVANCES HANDLING MECHANISM OF SIDBI					
Type of Enterprise	Yes	No	May be	Total	Chi-Square $\chi^2= 2.19 (df- 4)$ Significance Level- 5% p-value 0.699**
Micro	42	6	86	134	
Small	25	5	68	98	
Medium	3	1	14	18	
Total	70	12	168	250	
Cluster Activity	Yes	No	May be	Total	Chi-Square $\chi^2= 8.614 (df-14)$ Significance Level- 5% p-value- 0.855**
Beauty Products	7	1	18	26	
Electric Engineering	9	3	21	33	
Electronic Goods	17	3	43	63	
Food and Beverages	8	3	21	32	
Leather Products	6	-	15	21	
Power Loom	13	2	19	34	
Tour and Travel	2	-	6	8	
Toys	8	-	25	33	
Total	70	12	168	250	
District (East UP)	Yes	No	May be	Total	Chi-Square

Varanasi	20	4	59	83	$\chi^2 = 8.942(df-6)$ <i>Significance Level- 5%</i> <i>p-value 0.1769**</i>
Mirzapur	19	3	28	50	
Jaunpur	4	2	28	34	
Bhadohi	27	3	53	83	
Total	70	12	168	250	

Source: Field Survey

Hypothesis Accepted,Hypothesis Rejected*

The survey data on the satisfaction levels with SIDBI's grievance handling mechanism shows no significant differences across various enterprise types, cluster activities, and districts in East Uttar Pradesh. The chi-square values and corresponding p-values (2.19 with $p=0.699$ for enterprise types, 8.614 with $p=0.855$ for cluster activities, and 8.942 with $p=0.1769$ for districts) indicate that the null hypothesis is accepted in all cases. This means that the variations in satisfaction levels among the different groups surveyed are not statistically significant. Entrepreneurs from micro, small, and medium enterprises, as well as those from different industry clusters and districts like Varanasi, Mirzapur, Jaunpur, and Bhadohi, show similar levels of satisfaction, uncertainty, or dissatisfaction with the grievance handling mechanism of SIDBI. This consistent perception across various segments suggests that SIDBI's grievance handling mechanism is perceived uniformly, highlighting a standardized approach in addressing grievances irrespective of the type of enterprise, industry, or location.

Table: 1.10

LEVEL OF AWARENESS AND AVAILMENT OF SIDBI MITRA MOBILE APP.					
Type of Enterprise	Unaware	Aware but not availed	Aware and availed	Total	<i>Chi-Square</i> $\chi^2 = 11.72 (df-4)$ <i>Significance Level- 5%</i> <i>p-value 0.0196*</i>
Micro	53	49	32	134	
Small	24	44	30	98	
Medium	2	7	9	18	
Total	79	100	71	250	
Cluster Activity	Unaware	Aware but not availed	Aware and availed	Total	<i>Chi-Square</i> $\chi^2 = 9.123 (df-14)$ <i>Significance Level- 5%</i> <i>p-value- 0.8231**</i>
Beauty Products	10	8	8	26	
Electric Engineering	9	14	10	33	
Electronic Goods	25	24	14	63	
Food and Beverages	8	14	10	32	
Leather Products	7	8	6	21	
Power Loom	10	11	13	34	
Tour and Travel	1	4	3	8	
Toys	9	17	7	33	
Total	79	100	71	250	
District (East UP)	Unaware	Aware but not availed	Aware and availed	Total	<i>Chi-Square</i> $\chi^2 = 26.315(df-6)$

Varanasi	14	40	29	83	<i>Significance Level- 5% p-value 0.0002*</i>
Mirzapur	15	20	15	50	
Jaunpur	7	15	12	34	
Bhadohi	43	25	15	83	
Total	79	100	71	250	

*Source: Field Survey****Hypothesis Accepted,***Hypothesis Rejected*

The survey data on the level of awareness and usage of the SIDBI Mitra mobile app reveals significant differences among different types of enterprises and districts in East Uttar Pradesh, but not across various cluster activities. The chi-square values and corresponding p-values show that for types of enterprises ($\chi^2=11.72$, $p=0.0196$) and districts ($\chi^2=26.315$, $p=0.0002$), the null hypothesis is rejected, indicating significant differences in awareness and usage levels. Specifically, micro, small, and medium enterprises, as well as different districts such as Varanasi, Mirzapur, Jaunpur, and Bhadohi, show varying levels of awareness and app usage. However, the chi-square value for cluster activities ($\chi^2=9.123$, $p=0.8231$) suggests no significant difference, leading to the acceptance of the null hypothesis for this category. This implies that while awareness and usage of the SIDBI Mitra app vary significantly by enterprise type and district, they remain consistent across different industry clusters. This highlights a need for targeted awareness and engagement strategies to ensure uniform usage of the app among different enterprise types and geographical areas.

Table 1.11

AWARENESS ABOUT DIRECT FINANCE SCHEME				
Type of Enterprise	Yes	No	Total	<i>Chi-Square $\chi^2= 3.278(df-2)$ <i>Significance Level- 5%</i> <i>p-value- 0.1942**</i></i>
Micro	121	13	134	
Small	93	5	98	
Medium	15	3	18	
Total	229	21	250	
Cluster Activity	Yes	No	Total	<i>Chi-Square $\chi^2=15.12 (df-7)$ <i>Significance Level- 5%</i> <i>p-value- 0.0345*</i></i>
Beauty Products	21	5	26	
Electric Engineering	33	-	33	
Electronic Goods	55	8	63	
Food and Beverages	27	5	32	
Leather Products	20	1	21	
Power Loom	34	-	34	
Tour and Travel	8	-	8	
Toys	31	2	33	
Total	229	21	250	
District (East UP)	Yes	No	Total	<i>Chi-Square $\chi^2=17.156(df-3)$</i>
Varanasi	80	3	83	

Mirzapur	50	-	50	<i>Significance Level- 5%</i> <i>p-value 0.0007*</i>
Jaunpur	31	3	34	
Bhadohi	68	15	83	
Total	229	21	250	

*Source: Field Survey****Hypothesis Accepted,***Hypothesis Rejected*

The survey data on awareness about the Direct Finance Scheme from SIDBI indicates no significant difference across different types of enterprises, but it does show significant differences across cluster activities and districts in East Uttar Pradesh. The chi-square value for types of enterprises ($\chi^2=3.278$, $p=0.1942$) suggests that awareness levels among micro, small, and medium enterprises are not significantly different, leading to the acceptance of the null hypothesis (H_0). However, the chi-square values for cluster activities ($\chi^2=15.12$, $p=0.0345$) and districts ($\chi^2=17.156$, $p=0.0007$) both indicate significant differences, leading to the rejection of the null hypothesis (H_0) for these categories. This means that awareness about the Direct Finance Scheme varies significantly among different industry clusters and geographic districts. For instance, awareness is particularly high in sectors like Electric Engineering and Power Looms, and in districts like Varanasi and Mirzapur, compared to others. This suggests a need for more targeted awareness campaigns to ensure uniform knowledge of SIDBI's Direct Finance Scheme across all industry clusters and districts in East Uttar Pradesh.

Table 1.12

AWARENESS ABOUT INDIRECT FINANCE SCHEME				
Type of Enterprise	Yes	No	Total	<i>Chi-Square</i> $\chi^2 = 1.569(df-2)$ <i>Significance Level- 5%</i> <i>p-value- 0.456**</i>
Micro	98	36	134	
Small	77	21	98	
Medium	12	6	18	
Total	187	63	250	
Cluster Activity	Yes	No	Total	<i>Chi-Square</i> $\chi^2 = 5.309(df-7)$ <i>Significance Level- 5%</i> <i>p-value- 0.6223**</i>
Beauty Products	19	7	26	
Electric Engineering	23	10	33	
Electronic Goods	46	17	63	
Food and Beverages	22	10	32	
Leather Products	15	6	21	
Power Loom	30	4	34	
Tour and Travel	7	1	8	
Toys	25	8	33	
Total	187	63	250	
District (East UP)	Yes	No	Total	<i>Chi-Square</i> $\chi^2 = 15.452(df-3)$ <i>Significance Level- 5%</i> <i>p-value 0.0015*</i>
Varanasi	61	22	83	
Mirzapur	46	4	50	
Jaunpur	28	6	34	

Bhadohi	52	31	83	
Total	187	63	250	

*Source: Field Survey****Hypothesis Accepted,***Hypothesis Rejected*

The survey data on awareness about the Indirect Finance Scheme from SIDBI reveals no significant differences across different types of enterprises and cluster activities, but it does show significant differences across districts in East Uttar Pradesh. The chi-square values for types of enterprises ($\chi^2=1.569$, $p=0.456$) and cluster activities ($\chi^2=5.309$, $p=0.6223$) indicate that awareness levels among micro, small, and medium enterprises, as well as across different industry clusters, are not significantly different. This leads to the acceptance of the null hypothesis (H_0) for these categories. However, the chi-square value for districts ($\chi^2=15.452$, $p=0.0015$) suggests significant differences in awareness levels among districts, leading to the rejection of the null hypothesis (H_0). Specifically, awareness about the Indirect Finance Scheme varies considerably between districts like Varanasi, Mirzapur, Jaunpur, and Bhadohi, with Bhadohi showing a notably higher lack of awareness. This highlights a need for targeted awareness campaigns in specific districts to ensure more uniform knowledge of SIDBI's Indirect Finance Scheme across East Uttar Pradesh.

Table 1.13

OPINION ON OVERALL SATISFACTION LEVEL ABOUT SIDBI ASSISTANCE					
Type of Enterprise	Satisfied	Neutral	Dissatisfied	Total	Chi-Square $\chi^2 = 8.860$ (df-2) Significance Level- 5% p-value- 0.064**
Micro	85	32	17	134	
Small	61	33	4	98	
Medium	9	8	1	18	
Total	155	73	22	250	
Cluster Activity	Satisfied	Neutral	Dissatisfied	Total	Chi-Square $\chi^2 = 22.512$ df - 14 Significance Level- 5% p-value- 0.0686*
Beauty Products	12	10	4	26	
Electric Engineering	21	10	2	33	
Electronic Goods	42	15	6	63	
Food and Beverages	18	14	-	32	
Leather Products	10	10	1	21	
Power Loom	23	5	6	34	
Tour and Travel	7	-	1	8	
Toys	22	9	2	33	
Total	155	73	22	250	
District (East UP)	Satisfied	Neutral	Dissatisfied	Total	Chi-Square $\chi^2 = 6.518$ (df-3) Significance Level- 5% p-value 0.367**
Varanasi	49	29	5	83	
Mirzapur	27	18	5	50	
Jaunpur	24	6	4	34	
Total	155	73	22	250	

*Source: Field Survey****Hypothesis Accepted,***Hypothesis Rejected*

The survey data on overall satisfaction with SIDBI assistance indicates no significant differences across types of enterprises, cluster activities, and districts in East Uttar Pradesh. The chi-square values for types of enterprises ($\chi^2=8.860$, $p=0.064$) and districts ($\chi^2=6.518$, $p=0.367$) suggest that satisfaction levels among micro, small, and medium enterprises, as well as among different districts, are not significantly different, leading to the acceptance of the null hypothesis (H_0). Although the p-value for cluster activities ($\chi^2=22.512$, $p=0.0686$) is slightly above the significance threshold, it also implies no significant difference in satisfaction levels across various industry clusters. Overall, these results show that entrepreneurs' satisfaction with SIDBI's assistance schemes and services is consistently similar across different segments, indicating a uniform perception of SIDBI's support among various types of enterprises, industry clusters, and geographic locations within East Uttar Pradesh. This suggests that SIDBI's assistance schemes are perceived uniformly, highlighting their consistent implementation and effectiveness across the region.

VII. FINDINGS

1. The literature underscores the critical role of entrepreneurship in economic development and highlights the significant contributions of financial institutions like SIDBI in supporting entrepreneurial activities. Through its comprehensive suite of services, SIDBI aims to bridge the financing gap and provide the necessary support to SMEs, particularly in regions facing greater developmental challenges.
2. The perceived effectiveness of SIDBI's assistance varies significantly among different sizes of enterprises and geographic locations within Eastern Uttar Pradesh. Specifically, micro and small enterprises perceive SIDBI's assistance as more effective compared to medium enterprises.
3. Entrepreneurs' perceptions toward SIDBI's accessibility, prompt service, and subsidy offerings are found consistent regardless of the type of enterprise, cluster activity, or district.
4. Significant disparity found in loan procedural perceptions among different sizes of enterprises, particularly the challenges faced by medium enterprises.
5. Entrepreneurs, regardless of whether they run micro, small, or medium enterprises, operate in different industry clusters, or are based in Varanasi, Mirzapur, Jaunpur, or Bhadohi, exhibit similar levels of satisfaction, indifference, or dissatisfaction with SIDBI's loan services.
6. Entrepreneurs from micro, small, and medium enterprises, as well as those from different industry clusters and districts like Varanasi, Mirzapur, Jaunpur, and Bhadohi, show similar levels of satisfaction, uncertainty, or dissatisfaction with the grievance handling mechanism of SIDBI.
7. Awareness and usage of the SIDBI Mitra app vary significantly by enterprise type and district, they remain consistent across different industry clusters.
8. Awareness about the Direct Finance Scheme varies significantly among different industry clusters and geographic districts. For instance, awareness is particularly high in sectors like Electric Engineering and Power Looms, and in districts like Varanasi and Mirzapur, compared to others.
9. Awareness about the Indirect Finance Scheme varies considerably between districts like Varanasi, Mirzapur, Jaunpur, and Bhadohi, with Bhadohi showing a notably higher lack of awareness.
10. SIDBI's assistance schemes and services are consistently similar across different segments, indicating a uniform perception of SIDBI's support among various types of enterprises, industry clusters, and geographic locations within East Uttar Pradesh.

VIII. SUGGESTIONS

1. Perceptions across different sectors and districts are largely homogeneous, suggesting that SIDBI's procedures are perceived similarly across various fields and regions but could be improved for medium enterprises to enhance accessibility and efficiency.
2. SIDBI's procedures are perceived similarly across various fields and regions but could be improved for medium enterprises to enhance accessibility and efficiency.
3. Uniformity in responses suggests that SIDBI's loan services are perceived consistently across various segments, pointing to a standardized and evenly distributed approach in their loan offerings and service quality.
4. Variation in Awareness and usage of SIDBI Mitra app highlights a need for targeted awareness and engagement strategies to ensure uniform usage of the app among different enterprise types and geographical areas.
5. Significant variation in awareness about Direct Finance Schemes points out a need for more targeted awareness campaigns to ensure uniform knowledge of SIDBI's Direct Finance Scheme across all industry clusters and districts in East Uttar Pradesh.
6. Targeted awareness campaigns in specific districts required to ensure more uniform knowledge about SIDBI's Indirect Finance Scheme across East Uttar Pradesh.
7. Suggests that SIDBI's assistance schemes are perceived uniformly, highlighting their consistent implementation and effectiveness across the region.

IX. LIMITATIONS OF THE STUDY

1. **Sample Size and Representation:** The study's sample, while covering a range of enterprise sizes, industry clusters, and districts within Eastern Uttar Pradesh, may not be fully representative of the broader entrepreneurial landscape. The findings may not be generalizable to other regions or reflect the diversity of experiences across all enterprises.

2. **Lack of Longitudinal Data:** The absence of longitudinal data limits the ability to track changes in perceptions over time. A longitudinal approach would provide a more comprehensive understanding of how SIDBI's interventions impact enterprises in the long term.
3. **Geographic Concentration:** The focus on Eastern Uttar Pradesh, while valuable for regional analysis, restricts the applicability of the findings to other geographic areas. Different regions may have unique economic challenges and opportunities that influence entrepreneurs' perceptions differently.
4. **Sector-Specific Challenges:** The study groups enterprises into broad industry clusters, which might overlook sector-specific nuances. Detailed sectoral analysis could reveal unique challenges and opportunities within specific industries that the current grouping might mask.
5. **Unmeasured External Factors:** External factors such as regional economic policies, local infrastructure, and market conditions were not controlled for in the study. These factors can significantly influence entrepreneurs' perceptions and the effectiveness of SIDBI's services.
6. **Limited Focus on Qualitative Insights:** The study primarily utilizes quantitative data, which may miss out on rich qualitative insights that could provide a deeper understanding of entrepreneurs' experiences and challenges. Incorporating qualitative interviews or case studies could complement the quantitative findings.
7. **Technology Adoption and Digital Literacy:** Variation in awareness and usage of the SIDBI Mitra app suggests underlying differences in technology adoption and digital literacy, which were not extensively explored in the study. Understanding these factors could provide more actionable insights for enhancing digital engagement.
8. **Generalization of Uniform Perceptions:** While the study suggests uniformity in perceptions across different segments, it may overlook subtle variations and unique experiences within each segment. A more granular analysis could uncover specific areas for improvement that a broad-brush approach might miss.

X.CONCLUSION

The study underscores the pivotal role of SIDBI in fostering entrepreneurship and supporting small and medium enterprises (SMEs) in Eastern Uttar Pradesh. Despite the significant contributions of SIDBI, the findings reveal a nuanced landscape of perceptions among entrepreneurs regarding the bank's services. Key findings indicate that perceptions of SIDBI's accessibility, prompt service, and subsidy offerings are consistent across different types of enterprises, industry clusters, and geographic districts. This uniformity suggests a standardized and evenly distributed approach by SIDBI in its service delivery, highlighting its effort to ensure equitable support across diverse segments. However, the study also uncovers notable areas for improvement. Medium enterprises, in particular, face more challenges in accessing SIDBI's services compared to micro and small enterprises. This disparity points to the need for tailored strategies to enhance service accessibility and efficiency for medium enterprises. Additionally, the varying levels of awareness and usage of the SIDBI Mitra app and finance schemes across different enterprise types and districts call for targeted awareness campaigns to ensure uniform knowledge and engagement with SIDBI's offerings. The findings suggest that while SIDBI's assistance schemes and services are perceived consistently, there is room for improvement in addressing the specific needs of medium enterprises and enhancing awareness initiatives. By addressing these areas, SIDBI can further strengthen its role in supporting the entrepreneurial ecosystem and contribute more effectively to the economic development of Eastern Uttar Pradesh.

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