**PREFACE**

The present research work is broadly based on empirical study on credit management in Micro, Small and Medium Enterprises (MSMEs) falling in the state of Haryana by examining the perceptions of MSME entrepreneurs toward their businesses. It also examines the growth of MSME firms in Haryana as well as in India. The major research objectives attempted to achieve in this work include (i) to bring out important credit policy variables and examine their differences across MSMEs, (ii) to hold a gap analysis of average credit period allowed and average collection period, (iii) to investigate the preferences of MSMEs with regard to their choice for the bases of credit standards such as credit rating, references, average payment period and ratio analysis, (iv) to examine the composition of costs associated with maintaining receivables, (v) to examine procedures and tools of credit evaluation used by MSMEs and their effectiveness, (vi) to examine the interrelation between selected credit management variables, (vii) to study whether the credit management variables have a significant cross-industry variation, (viii) to suggest policy recommendations for effective credit management in micro, small and medium enterprises. The main statistical techniques used for the purpose of analysis include Skewness, kurtosis, Kruskal-Wallis, Spearman’s correlation test, factor analysis, F-Test, descriptive analysis by putting the weights, Chi-square and percentage analysis. Upshots of the study revealed that out of the four credit policy variables, credit standard of the company’ is the most important variable and with regard to MSMEs choice for the bases of credit standards, ‘credit rating of buyer’ is the most essential and ‘ratio analysis for solvency position of buyer’ is least preferred criteria. However, the debts were not collected from the customers of MSME firms in the credit granted period, while the respondents of MSME firms paid their debts to their suppliers in the credit period allowed to them. All the credit management variables are moderately or strongly associated with each other. Moreover, a significant cross-industry, cross-activity and cross-organizational variation also found in the extent of the use and practice of all credit management variables, except the cost of maintaining receivables.

The whole thesis constitutes six chapters. **Chapter 1** provides a brief introduction of MSME sector and its framework as well as different variables of credit management. **Chapter 2** presents a review of literature on credit management and MSMEs and then brings out research gaps in order to logically state the research problem. **Chapter 3** ‘Research Methodology’ gives a quick glance of the objectives and methodology adopted to achieve the
objectives of the study. **Chapter 4**, titled, ‘Credit Policy Analysis’ incorporates research results based on analysis of questionnaire survey. **Chapter 5**, ‘Credit Management Analysis’ also presents comprehensive analysis and interpretation of primary data obtained through the questionnaire. Finally, **Chapter 6**, titled, ‘Summary of Findings and Recommendations’ summarizes the major findings of the study and furnishes some suggestions and recommendations on the basis of these findings to give a meaningful end to the research report.

I acknowledge the help and guidance received from all in the completion of this research work. The sources consulted are acknowledged at appropriate places in the text.

Bindia Jain
Research Scholar
Registration No. 12109004