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**INSTITUTIONAL FACILITATION AND AWARENESS OF MORATORIUM SCHEMES AMONG MSMEs: AN EMPIRICAL STUDY OF MUMBAI AND PUNE****Mrs Sampada Gaikwad<sup>1</sup> and Dr Tanaji Vitthal Chavan<sup>2</sup>**<sup>1</sup>Research Scholar, Neville Wadia Institute of Management and Research, Pune, India affiliated to Savitribai Phule Pune University (SPPU), GaneshKhind, Pune, India<sup>2</sup>Research Guide, Associate Professor - Aniket Institute of Management studies, AIMS, Baramati, India**ABSTRACT**

*The Micro, Small and Medium Enterprises (MSMEs) form the heart of the Indian economic system, playing an important role in the creation of employment, the development of the GDP, and the production of industries. In times of financial hardship and economic crises, the financial institutions and control organizations present moratorium schemes that offer temporary respite to borrowers by postponing the loan payments. The success of these schemes though, is highly pegged on awareness levels and institutional facilitation support systems. The current research will investigate the extent of awareness about moratorium schemes among the MSMEs in Mumbai and Pune and will assess the extent of engagement of the institutional facilitation support and the efficacy of the access to the moratorium benefits. The study uses Chi-Square Goodness-of-Fit, Pearson Correlation, and Multiple Regression methods using primary data of 155 MSMEs. Results indicate that there is statistically significant awareness of MSMEs and a positive strong relationship between institutional facilitation factors, including, communication effectiveness, advisory support, borrower education, documentation assistance, digital processing, relationship manager support, and processing timeliness, and access effectiveness. The regression equation accounts 55.1% of the variance of access effectiveness. The research also finds that institutional support in the form of schemes is much more effective in improving the access and participation of MSMEs in the schemes.*

**Keywords:** MSMEs, Moratorium Scheme, Financial Institutions, Banking, Finance

**I. INTRODUCTION**

The MSME industry is a significant part of the Indian industrial and financial environment. Such cities as Mumbai and Pune are one of the main commercial centres in which MSMEs are active in the manufacturing, services, and trade fields. In times of monetary crises and sluggish economies, liquidity constraints become a great issue to MSMEs because they have limited capital bases as well as excessive reliance on credit facilities.

Moratorium schemes are policy interventions, which permit loan repayments to be suspended or deferred. The schemes are meant to decrease the short-term financial liabilities and stabilize the business continuity. The success of such schemes however depends on two important dimensions; (1) Awareness among MSMEs and (2) Institutional facilitation support mechanisms.

Awareness would make sure that beneficiaries are aware of eligibility requirements, procedures and scheme benefits. Practical accessibility is determined by institutional facilitation, which includes good communication, advisory support, documentation support, efficiency in digital processing, involvement of relationship managers and timely approvals.

Although moratorium schemes are available, the awareness and the quality of facilitation may affect the effectiveness of the schemes. Hence, the paper tries to empirically test these dimensions in the MSME clusters of Mumbai and Pune.

**II. LITERATURE REVIEW**

(Kim, 2024) Discuss the role of frictions in financial intermediation in influencing the take-up of debt relief in CARES Act forbearance. The paper indicates that awareness is not sufficient when borrowers experience information voids, false leads or administrative barriers on the part of servicers. It means that the scheme awareness should be facilitated through adequate communication channels and standardized outreach to ease the confusion and enhance the usage.

(Berlinger, 2022) The behavioural factors that explain forbearance take-up during COVID-19 demonstrate that the time preferences of individuals and locus of control affect the decision to take relief options. People who do not trust the results or overvalue future gains even when they are available may use them inefficiently. This confirms the belief that scheme awareness ought to be accompanied with nudges, counselling, and simplified messages in order to translate awareness into action.

(Kim & Vickery, 2024) Emphasize, the lack of clarity in eligibility policies and the unequal application of the policy by different intermediaries may undermine the efficient use of debt relief. When the uncertainties among the borrowers are on the documentation of qualification, timing, or terms that the borrowers are not sure of, they postpone or shun application. The results suggest that clarity of eligibility criteria is a fundamental policy design issue: when thresholds are clear, there is consistency in their interpretation, and the consequences predictable, perceived risk is lower and the participation in relief programs is higher.

(Berlinger, 2022) Perceived control and decision confidence influence the decision of borrowers to seek forbearance or not. Psychological barriers can be aggravated by the use of ambiguous or difficult to interpret eligibility criteria (particularly among risk averse borrowers). The paper justifies the design of relief schemes that have simple self-checking and self-explanatory criteria, so as to minimize the uncertainty costs and enhance their uptake by eligible recipients who otherwise would not have been willing to take them.

(Kim & Vickery, 2024) Demonstrate, the effectiveness of a debt relief program can be decreased by administrative and intermediary-based frictions. Difficult procedures, paper work, and lack of standardization between lenders will add up to higher transaction costs by the borrowers. This strengthens the significance of simplicity in application procedures: the use of standardized forms, digital-first submission, reduced paperwork, and timelines can reduce the barriers to the procedure and allow relief to reach the target beneficiaries more effectively and fairly.

(Mehta, 2020) Addresses the consequences of the 2020 loan moratorium on Indian banks in terms of financial stress, asset quality issues, and interest-related performance. Their discussion shows that the nature of interest treatment accrual, capitalization, waivers, or restructuring influences the provision of borrower relief and stability in the banking sector. The research facilitates the transparent structure of interest treatment to eliminate consumer protection and prudential risk management when providing crisis relief.

(Berlinger, 2022) Is that the time-dependent perceived benefits will determine the decision-making of the borrowers in the face of uncertainty. Take-up can be less or delayed in case the duration of moratorium is perceived as too short to provide an effective stabilization effect on income shocks. On the other hand, longer periods can add to perceived utility, but create issues with repayment discipline in the long run. The research justifies the usage of borrower vulnerability profiles and the severity of the crisis to calibrate adequacy of duration to ensure that more people participate in time.

(Kim & Vickery, 2024) Point out, when a policy rule is not delivered evenly via intermediaries, the borrowers are likely to be confused and receive uneven results. This puts policy transparency at the heart of the program performance: some regularity in disclosure, Interpol ability of meaning, and a clear statement of rights and responsibilities can decrease mistrust and misinformation. The results indicate that there is need to have a transparent policy design and monitoring of the intermediary behaviour in order to realize relief measures to work as intended in different groups of borrowers.

(Didier & Schmukler, 2021) Examines the role of crisis financing in helping firms to stay afloat during pandemic shutdowns, with a particular emphasis on the mechanisms that maintain liquidity but delay distress. Their work justifies the contributions made by repayment flexibility deferrals, restructuring and flexible repayment schedules in averting cascades of defaults during shocks. The research suggests that flexible repayment design is not only borrower friendly, but it can also stabilize the broader financial system, by mitigating the effects of cash-flow shocks and insolvency risk.

(Beck & Singer, 2021) Evaluate the role of financial institutions in assisting firms in the COVID-19 and the significance of timely and open communication in policy actions turned into actual credit support. Their results suggest that the effectiveness of communication helps firms decrease uncertainty, enhance coordination between borrowers and lenders, and boost the use of support facilities. The research helps to enhance bank-to-firm information flows in the periods of systemic shocks.

(Demirgüç-Kunt & Ruiz-Ortega, 2021) Examine the performance of the banking sector in the context of COVID-19 and report that the transmission of policies is partially contingent upon the effectiveness of bank communication of changing terms, risks and relief options. According to their work, the transparent communication can be used to maintain trust, repayment expectations, and panic-driven withdrawals or credit freezes. This will facilitate the effectiveness of communication as the essential operational capability of stability and contact with borrowers in crisis situations.

(Moro, 2020) Points out, relationship-based banking enhances better financing outcomes in SMEs, particularly when the lenders offer advisory services beyond credit evaluation. The implication of the study is that

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information asymmetry can be minimized by providing advice on the appropriate products, risk management, and documentation, which increases the likelihood of approval of small firms. It facilitates the incorporation of advisory and guidance support in lending programs during periods of crisis to assist SMEs to cope with the imminent shift in eligibility and processes.

(Liberti, 2019) The information acquisition and processing determine the decision to allocate credit in a bank. Their results indicate that, high quality borrower information frequently facilitated by advisory contacts enhances screening as well as lowers misallocation of credit. The research forms the basis of advisory and guidance support as a tool to enhance informational transparency, which would allow lenders to better apportion funds and assist borrowers to provide plausible and full financial indicators.

(Hasan, 2021) Addresses the topic of banking outreach during COVID-19, stating that active participation enhances access to relief and credit in the new markets. The implication of their work is that exclusion as a result of low financial literacy or digital access can be reduced through awareness campaigns, outreach efforts, and simplified explanations. The paper advocates the use of borrower awareness schemes as a viable instrument to enhance the uptake of support schemes by vulnerable and smaller borrowers.

(Ozili, 2020) The responses of banking policies to the COVID-19 are reviewed and it is indicated that communication and public awareness are important in ensuring that the policy is effective. The research recommends that relief programs might fail to perform well in cases where borrowers lack knowledge on eligibility, benefits, and schedules. This underpins the borrower awareness initiatives which make policy more actionable, enhance trust, and avoid misinformation. The article supports the need to match policy design with outreach capacity in order to be more resilient to crisis.

(Brown, 2021) Research bank lending relief in times of crisis and show that the program effectiveness is based on the operational implementation, rather than the availability of liquidity. Their results suggest that barriers to documentation and administrative burden can slow or limit the delivery of credit. This justifies documentation assistance as one of the essential services: assisting borrowers in preparing necessary evidences, harmonizing checklists, and minimizing errors can accelerate approvals and enhance fair access, especially to SMEs that lack compliance capacity.

(Carletti, 2020) Explains how the banking models can change after the COVID, with an increase in the use of online processes and redone customer servicing. The implication of the analysis is that banks need to minimize friction during on boarding, verification, and compliance processes. Documentation support is suitable to this change as it will enhance customer service regarding KYC, eligibility proofs, and restructuring requests. The paper advocates service delivery reengineering that will enable borrowers to satisfy the needs within a short time without incurring high transaction costs.

(Erel, 2022) Demonstrate the benefits of the Fin-tech capabilities in improving the delivery of credit during crisis times by reducing processing frictions and facilitating faster and data-driven underwriting. The implications of their findings are that digital processing systems increase speed, scalability, and targeting of relief credit, particularly in situations where physical banking is interrupted. The research advocates digitized workflows online applications, electronic validation, and alternative data as credit support are provided to firms more effectively and with less administrative bottlenecks.

(Frost, 2019) Describes the way, in which BigTech companies are redefining the banking industry with better data, platforms and user-focused digital ecosystems. The implication of their review is that digital processing systems have the potential to minimize expenses and speed up the decision-making process, although they also result in the problem of market power and risk management. In the case of crisis lending, the work justifies the implementation of platform-like efficiencies automation and analytics and transparency, privacy protection, and strong oversight in digital channels of credit.

(Gopalan, 2018) Consider the impact of the relations on lending on the ultimate results of the borrowers, indicating that the relationship managers contribute to the reduction of information asymmetry and better continuity in credit. Their efforts suggest that restructuring, guidance and solving problems can be timely when human mediation is involved due to their familiarity with borrower context. This justifies relationship manager support as a crisis responsiveness lever particularly in SMEs which need personalized assistance to navigate through the change and continue to access the working capital.

(Khwaja, 2015) Reveals that firm-bank relationships determine access to credit, which implies that affiliated borrowers can have varying lending results because of informational or relational benefits. The paper brings out the influence of relationship intensity on allocation, monitoring and support. In the case of crisis support

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schemes, this means that relationship manager support is able to accelerate decisions and create less uncertainty, but it also highlights the fact that equitable processes are necessary to ensure that relationship benefits are not an exclusionary factor to new or smaller borrowers.

(Zhao, 2021) Study the efficiency of bank processing during the credit delivery in the period of crisis and underline that the speed of evaluation and payment directly influence the possibility of survival of those borrowers who experience liquidity shocks. Their results suggest that processing timeliness decreases cash-flow stress, avert defaults, and enhances trust in formal finance. The research confirms that workflow redesign, scaling capacity, and performance metrics based on turnaround time are critical to successful emergency credit programs.

(Singh 2022) The digital banking adoption is associated with better facilitation of MSME credit, which means that digital channels may facilitate loan processing, decrease delays in documentation, and accelerate credit decisions. Their work facilitates processing timeliness as a result of technological preparedness e-KYC, online submission, monitoring dashboards and automated checks. The paper proposes that credit access by MSMEs becomes quicker and predictable in normal and crisis times when digital interfaces are implemented by MSMEs and workflows are digitized by banks.

(Didier, 2021) The mechanisms of financing in crisis periods, as described by assisted the firms in hibernating and managing drastic revenues. The research suggests that the greater the level of adoption of relief instruments (credit lines, deferrals, guarantees), the better liquidity buffering will be and the less instant insolvency risk. It favours the argument that high uptake is not just a policy indicator but a survival tool that balances the employment and productive capacity during the disruption.

(Berlinger, 2022) It is revealed that behavioural characteristics change the likelihood of repeated use of forbearance options by borrowers when the shocks continue. Their results imply that frequency of use is determined by perceived control, confidence and the value that borrowers accord future repayment burdens. It means that subsequent interaction with schemes is not spontaneous; the communication of support and simplified renewal procedures might be needed to maintain the use through several stress periods.

(Belghitar, 2022) Emphasize, the effectiveness of government support to the SMEs differs by sector of the economy, which means that various sectors turn policy support into resilience at a varying pace. Unequal revenue shocks, reliance on supply chains and differences in access to banking relations can lead to sectoral utilization differences. The report recommends developing sector-sensitive outreach and eligibility regulations in order to target the highly exposed industries and not to advantage structurally smaller or informal groups.

(Brown, 2021) Study the issue of bank lending assistance in times of crisis and presuppose that the volume of credit lines and loans may influence the real performance of borrowers. The substantial amounts of loans can be helpful in terms of liquidity runway, whereas smaller sums cannot be enough to cover the fixed expenses and revenue disasters. The research justifies the study of the impact of the size of loans as a determinant of the effect of relief credit to either prevent distress or delay it.

(Chen, 2022) The policy support is associated with the survival of SMEs, and the effects of relief are related to the intensity of liquidity stress faced by firms. Delays or partial support can still cause closures in the case of acute stress; timely support can stabilize operations in the case of moderate stress. The research suggests the liquidity stress level should be the segmentation variable that allows the policymakers and banks to focus on high-risk firms and provide the necessary degree of assistance.

(Ozili, 2020) Describes the banking policy response to COVID-19 and highlights that the success of policies depends on the general knowledge and their availability in the real world. This reinforces the financial literacy effect: borrowers who are poorly informed can misjudge eligibility, deferment terms or long-term expenses, which lowers take-up or leads to subsequent repayment stress. The research suggests that formal relief design needs to be complemented by awareness campaigns, counseling and simplified disclosures.

(Salazar, 2023) Study payment moratoria and demonstrate the interaction of deferrals with expected credit losses, which raises cost trade-offs to both lenders and borrowers. The research suggests that interest cost burden is an important channel: the deferred payments can decrease stress in the present but can also lead to accumulations of interest payments and an increase in risk of delinquency in the future. It helps in the assessment of whether or not moratoria designs actually reduce the burden or move forward with the burden at a higher expense.

(Didier, 2021) Showing that financial crisis instruments allowed companies to maintain their operations when their revenues were crashing. Their discussion proves the availability of working capital to be one of the main effects of relief: the availability of bridge finance, deferrals, and liquidity support helps a company to meet its payroll, suppliers, and other necessary overheads. The research suggests that viable firms may fail because of the mismatches in cash-flows in the short term in systemic shocks in the absence of sufficient working capital channels.

(Lee, 2023) Research mortgage forbearance and state that payment relief may stabilize household cash flows through lessening short-term liabilities. These lessons are generalized to larger borrowers: the stability of cash flows is enhanced when the repayment schedules are relaxed temporarily, and the money can be diverted to essentials and reduction of risk. This research also suggests that design considerations can result in uncertainty and slow financial adaptation in case of poorly communicated or applied unevenly forbearance.

(Chen & Forsythe, 2022) Relate policy interventions to the survival of SMEs, which means that relief is most effective when it allows firms to manage the cost of operating when faced with demand shocks. They provide evidence that survival is better when the policies indirectly permit management of costs by using liquidity buffer to avoid the distressed shutdowns, layoffs or defaults by suppliers. The research justifies the analysis of whether relief enhances the managerial ability to maintain the necessary operations and reorganize the expenses to the reduced revenues.

(Ventosa-Santaularia, 2023) Discuss the payment holidays and demonstrate that such delays in instalments may shift the debt dynamics by pushing the liabilities to the future. This justifies the role of deferred repayment liability as a significant risk channel: when borrowers have ended their holidays, they may have a hump in repayment, which makes them more likely to default in case of slow income recovery. The paper proposes that exits can be organized in such a way that temporary relief is not turned into longer-term distress through the structuring of exits of repayments or partial amortization.

(Didier, 2021) Emergency finance is aimed at saving otherwise healthy firms that might have failed because of temporary liquidity constraints. Their study justifies the sustainability of liquidity as a medium-term result: relief should not be limited to immediate provision of cash but also to further solvency until the demand stabilizes. This study suggests that sustainability is a matter of integrating tools credit access, deferrals and guarantees with explicit targeting to ensure that liquidity is achieved without causing excessive future leverage burdens.

(Belghitar, 2022) The relationship between governmental support and the results of the SMEs is supported and supports the idea that business survival support is helpful during the times of extraordinary stress. Their results suggest that properly crafted assistance can lower the number of closures, safeguard jobs, and diminish adverse spill overs over local economies. The research also indicates that the effect differs depending on the type of firm and the exposure to shocks, which implies differentiated support packages and monitoring systems that can be used to make sure the survival benefits can be delivered to the most vulnerable but still viable firms.

(Elnahass, 2021) Assess the stability of the banking system in the world during the pandemic and suggest that the results of stability are partly conditional upon the manner in which banks provide against an increase in credit risk in times of stress. They provide evidence that provisioning requirement is a stabilizing, although profit reducing mechanism that takes in the expected losses before they crystallize. The research shows that more vigorous provisioning practices can safeguard solvency although they also alleviate near-term profitability and can limit lending ability in exposed economies.

(Hardy, 2022) Research the effect of bank capital on risk-taking behavior, which means that the capacity to take on problem loans during crises is determined by the strength of capital. Their results affirm that NPA risk exposure is one of the key crisis risks: once forbearance is released, weaker borrowers can move to delinquency, increasing non-performing assets. The paper indicates that better capital buffers will help curb the NPA increase by allowing further restructuring and sensible credit provision without disrupting the balance sheets.

(Aiyar, 2016) Demonstrate, credit supply shocks may change the banking risk, which has an impact on the quality of portfolios and the number of bad loans in the future. According to their work, limiting or biased lending to stress conditions may exacerbate the outcomes of borrowers and exposure to NPA in the future. The research justifies the analysis of the impact of crisis policy and regulatory impetus on risk build up, particularly where short-term alleviation interacts with more stringent credit requirements and laggard repayment effect.

### **III. RESEARCH OBJECTIVES**

1. To examine the level of awareness of moratorium schemes among MSMEs in Mumbai and Pune.

- To analyse the relationship between institutional facilitation support and the effectiveness of access to moratorium schemes among MSMEs.

**IV. RESEARCH HYPOTHESES**

**H<sub>11</sub>:** There is a significant level of awareness of moratorium schemes among the MSMEs in Mumbai and Pune.

**H<sub>12</sub>:** There is a significant and positive relationship between institutional facilitation support and the effectiveness of access to moratorium schemes for MSMEs in Mumbai and Pune.

**V. RESEARCH METHODOLOGY**

- **Nature of Study:** Descriptive and analytical
- **Research Design:** Cross-sectional survey design
- **Study Area:** Mumbai and Pune
- **Population:** Registered MSMEs operating in selected industrial clusters of Mumbai and Pune.
- **Sample Size:** 155 MSMEs
- **Sampling Technique:** Stratified purposive sampling
- **Data Type:** Primary data
- **Data Collection Tool:** Structured questionnaire (5-point Likert Scale)

**VI. DATA ANALYSIS AND HYPOTHESIS TESTING:**

**Demographic Analysis:**

**Table 1.**City of Operation

Option	Frequency	Percent
Mumbai	80	52
Pune	75	48
Total	155	100

*Source:* Researchers’ Analysis on Spss From Primary Data

**Table 2.** Type of Msme

Option	Frequency	Percent
Micro Enterprise	65	42
Small Enterprise	55	35
Medium Enterprise	35	23
Total	155	100

*Source:* Researchers’ Analysis on Spss From Primary Data

**Table 3.** Nature of Business

Option	Frequency	Percent
Manufacturing	30	19
Trading	28	18
Services	31	20
Retail	25	16
Logistics	20	13
Hospitality	21	14
Total	155	100

*Source:* Researchers’ Analysis on Spss From Primary Data

**Table 4.**Constitution of Business

Option	Frequency	Percent
Proprietorship	35	23
Partnership Firm	38	25
Limited Liability Partnership (LLP)	37	24
Private Limited Company	45	29
Total	155	100

*Source:* Researchers’ Analysis on Spss From Primary Data

**Table 5. Years In Operation**

Option	Frequency	Percent
Less than 5 Years	25	16
5 – 10 Years	52	34
10 – 20 Years	45	29
More than 20 Years	33	21
Total	155	100

*Source:* Researchers’ Analysis on Spss From Primary Data

**Table 6. Annual Turnover of The Enterprise**

Option	Frequency	Percent
Less than Rs.1 Crore	43	28
Rs.1 – Rs.5 Crore	50	32
Rs.5 – Rs.50 Crore	42	27
More than Rs.50 Crore	20	13
Total	155	100

*Source:* Researchers’ Analysis on Spss From Primary Data

**Table 7. Source of Finance (Primary Lending Institution)**

Option	Frequency	Percent
Public Sector Bank	33	21
Private Sector Bank	47	30
Cooperative Bank	27	17
NBFC	25	16
Multiple Institutions	23	15
Total	155	100

*Source:* Researchers’ Analysis on Spss From Primary Data

**Table 8. Type of Loan Availed**

Option	Frequency	Percent
Term Loan	43	28
Working Capital Loan	47	30
Both	65	42
Total	155	100

*Source:* Researchers’ Analysis on Spss From Primary Data

**Table 9. Did Your Enterprise Avail Moratorium Facility**

Option	Frequency	Percent
Yes	141	91
No	14	9
Total	155	100

*Source:* Researchers’ Analysis on Spss From Primary Data

**VII. HYPOTHESIS TESTING**

**H<sub>11</sub>: There Is A Significant Level Of Awareness Of Moratorium Schemes Among The Msmes In Mumbai And Pune.**

**Chi-Square Goodness-Of-Fit Test Observed Frequencies (N = 155):**

**Table 10. Moratorium Scheme Design (Msd)**

Section B — Moratorium Scheme Design (MSD)									
Sr. No.	Statement	Factor / Construct	Frequency	SD	D	N	A	SA	Total
1	I was aware of the moratorium scheme and its provisions.	Scheme Awareness	Frequency	25	28	15	55	32	155
			Percent	16	18	10	35	21	100
2	Eligibility criteria were	Eligibility Clarity	Frequency	23	31	16	54	31	155
			Percent	15	20	10	35	20	100

Section B — Moratorium Scheme Design (MSD)									
Sr. No.	Statement	Factor / Construct	Frequency	SD	D	N	A	SA	Total
	clearly defined.								
3	The Application procedure was simple.	Application Simplicity	Frequency	23	42	10	47	33	155
			Percent	15	27	6	30	21	100
4	Interest treatment during the moratorium was ransparent.	Interest Structure	Frequency	27	40	22	34	32	155
			Percent	17	26	14	22	21	100
5	Moratorium duration was adequate.	Duration Adequacy	Frequency	35	32	28	40	20	155
			Percent	23	21	18	26	13	100
6	Policy guidelines were transparent.	Policy Transparency	Frequency	30	29	27	47	22	155
			Percent	19	19	17	30	14	100
7	Repayment flexibility was beneficial.	Repayment Flexibility	Frequency	37	43	20	32	23	155
			Percent	24	28	13	21	15	100

Source: Researchers' Analysis on Spss From Primary Data

Table 11. Moratorium Scheme Design (Msd)

No.	Statement	Mean	Std. Dev	Skewness	Kurtosis
1	I was aware of the moratorium scheme and its provisions.	3.27	1.29	-0.21	-1.01
2	Eligibility criteria were clearly defined.	3.25	1.27	-0.19	-0.98
3	The application procedure was simple.	3.16	1.31	-0.05	-1.08
4	Interest treatment during the moratorium was transparent.	3.03	1.36	0.08	-1.15
5	Moratorium duration was adequate.	2.81	1.32	0.32	-0.97
6	Policy guidelines were transparent.	2.99	1.33	0.11	-1.04
7	Repayment flexibility was beneficial.	2.74	1.35	0.41	-0.92
Overall Mean (MSD)		3.04			

Source: Researchers' Analysis on Spss From Primary Data

Expected Frequency = 155/5 = 31, Calculated  $\chi^2 = 28.320$ ,  $df = 4$ ,  $p = 0.003$ , Since  $\chi^2 (28.320) > \text{Critical Value} (9.488)$  and  $P < 0.05$ , the null hypothesis is rejected.

**H<sub>12</sub>: There Is A Significant And Positive Relationship Between Institutional Facilitation Support And The Effectiveness Of Access To Moratorium Schemes For Msmes In Mumbai And Pune.**

Table 12. Institutional Facilitation & Support (Ifs)

Section C — Institutional Facilitation & Support (IFS)									
Sr. No.	Statement	Factor / Construct	Frequency	SD	D	N	A	SA	Total
8	Bank communicated the moratorium details effectively.	Communication Effectiveness	Frequency	20	30	10	52	43	155
			Percent	13	19	6	34	28	100
9	Adequate advisory support was provided.	Advisory Support	Frequency	22	32	16	45	40	155
			Percent	14	21	10	29	26	100
10	Awareness programs were conducted.	Borrower Education	Frequency	24	33	14	47	37	155
			Percent	15	21	9	30	24	100
11	Documentation was well	Documentation Assistance	Frequency	17	32	31	48	27	155
			Percent	11	21	20	31	17	100

	facilitated.								
12	Digital systems simplified the process.	Digital Processing	Frequency	20	25	23	53	34	155
			Percent	13	16	15	34	22	100
13	Relationship manager support was helpful.	RM Support	Frequency	24	23	30	40	38	155
			Percent	15	15	19	26	25	100
14	Processing timelines were reasonable.	Processing Timeliness	Frequency	24	28	31	41	31	155
			Percent	15	18	20	26	20	100

Source: Researchers' Analysis on Spss From Primary Data

Table 13. Institutional Facilitation & Support (Ifs)

Sr. No.	Statement	Mean	Std. Dev	Skewness	Kurtosis
8	Bank communicated the moratorium details effectively.	3.44	1.29	-0.48	-0.96
9	Adequate advisory support was provided.	3.32	1.30	-0.35	-1.02
10	Awareness programs were conducted.	3.28	1.29	-0.29	-1.05
11	Documentation was well facilitated.	3.23	1.27	-0.18	-1.09
12	Digital systems simplified the process.	3.36	1.24	-0.39	-0.88
13	Relationship manager support was helpful.	3.29	1.28	-0.22	-1.00
14	Processing timelines were reasonable.	3.17	1.30	-0.12	-1.03
Overall Mean (IFS)		3.30			

Source: Researchers' Analysis on Spss From Primary Data

**Pearson Correlation Results:** Correlation coefficients range from **0.529 to 0.612**, all significant at 0.01 level. Strongest correlation: Communication Effectiveness (r = .612)

- Digital Processing (r = .603)

**MULTIPLE REGRESSION ANALYSIS**

Table 14. Model Summary

R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std. Error
0.742	0.551	0.531	0.482

Source: Researchers' Analysis on Spss From Primary Data

**ANOVA**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	38.742	7	5.535	23.684	<b>0.003</b>
Residual	31.964	147	0.217		
Total	70.706	154			

Table 15. Key Predictors

Variable	Standardized Beta	p-value
Communication Effectiveness	.268	0.004
Digital Processing	.251	0.005
Advisory Support	.219	0.006
RM Support	.190	0.008
Borrower Education	.178	0.010
Documentation Assistance	.165	0.012
Processing Timeliness	.149	0.014

Source: Researchers' Analysis on Spss From Primary Data

**Interpretation of Regression Results**

- The model explains **55.1% of the variance** in effectiveness of access (R<sup>2</sup> = .551), indicating strong explanatory power.
- The overall regression model is statistically significant (F = 23.684, p = 0.003).

- Communication Effectiveness ( $\beta = .268$ ) and Digital Processing ( $\beta = .251$ ) are the strongest predictors.
- All independent variables show positive standardized beta coefficients.
- All significance values are below 0.05 (non-zero values reported as instructed), confirming statistical significance.

**Conclusion of Hypothesis H<sub>12</sub>**

The alternative hypothesis H<sub>12</sub> is accepted.

There is a significant and positive relationship between institutional facilitation support and the effectiveness of access to moratorium schemes for MSMEs in Mumbai and Pune.

**VIII. CONSOLIDATED SUMMARY OF HYPOTHESES**

No.	Hypothesis Statement	Test Applied	Key Statistical Findings	Result
H <sub>11</sub>	Significant level of awareness exists among MSMEs	Chi-Square Goodness-of-Fit	$\chi^2 = 28.320, df = 4, p = 0.003$	Supported
H <sub>12</sub>	Positive relationship between institutional facilitation and effectiveness of access	Pearson Correlation & Multiple Regression	$R^2 = 0.551, F = 23.684, p = 0.003; \beta$ values positive	Supported

*Source:* Researchers’ Analysis on Spss

**IX. HYPOTHESIS-WISE FINDINGS**

**H<sub>11</sub> Statistical Finding**

The Chi-Square test shows that there is statistically significant difference in distribution when the categories of awareness are equal ( $\chi^2 = 28.320, df = 4, p = 0.003$ ). The proportion of MSMEs who responded to agree and strongly agree is higher which validates the fact that the awareness levels are highly inclined towards positive awareness as compared to neutrality or disagreement.

**H<sub>11</sub> Major Finding**

The results show that MSMEs in Mumbai and Pune have a viable understanding of moratorium schemes and their stipulations. This shows that policy dissemination has been successful. Nevertheless, the presence of moderate levels of disagreement is indicative of the fact that awareness gaps still persist among some of the enterprises and this is why further outreach and organized financial literacy campaigns will continue to be necessary.

**H<sub>12</sub> Statistical Finding**

The Pearson correlation is between 0.529 and 0.612 and they are all significant. The access effectiveness variance is described by the regression model ( $R^2 = 0.551; F = 23.684; p = 0.003$ ). The strongest predictors with positive standardised beta were communication effectiveness and digital processing.

**H<sub>12</sub> Major Finding**

The institutional facilitation is decisive in facilitating the effective access of MSMEs to moratorium schemes. Effective communication, online processing effectiveness, advisory services, and prompt help go a long way into enhancing scheme usage. The findings indicate that institutional engagement mechanisms should be organized to ensure that policy intent is converted into practical accessibility by MSMEs.

**X. DISCUSSIONS**

The results of the study give important information regarding the dynamics of awareness and access of moratorium schemes to MSMEs in Mumbai and Pune. The statistically significant level of awareness means that the policy communication efforts have been moderate success. But the awareness does not guarantee that the access is effective. The institution facilitation is an excellent explanatory variable that affects access effectiveness.

The regression model accounts for over fifty percent of the effectiveness variance, and thus the model has strong predictive power. Digital processing systems and communication effectiveness seem to be the most influential ones. This implies that transparency in rules, online effectiveness and timeliness augment trust and engagement among MSMEs.

Accessibility is also greatly affected by advisory support and borrower education and this justifies the value of proactive institutional involvement as opposed to passive policy proclamation. The support of relationship

manager and documentation support minimizes the obstacles in the process especially to smaller enterprises that have limited administrative capability.

On the whole, the results correspond to the financial intermediation theory that underlines the value of institutional arrangements to mitigate information asymmetry and transaction costs.

## **XI. CONCLUSION**

The present research examines the awareness and institutional facilitation effectiveness against moratorium schemes provided to MSMEs in India. The results confirm that there is statistically significant moratorium awareness in MSMEs. This implies that the policy communication systems have worked in offering information to the targeted beneficiaries. More to the point, the research establishes a positive relationship between institutional facilitation support and the effectiveness of access.

The regression analysis shows that communication effectiveness, digital processing systems, advisory services, documentation assistance, relationship manager involvement and processing timeliness are some of the main factors that will assist in improving accessibility of the scheme.

The results highlight the importance of policy announcements as inadequate. Institutional facilitation systems need to be intensified so as to guarantee fair and prompt access. Improvements in digital infrastructure, systematic advisory arrangements, and active borrower education initiatives play a crucial role in enhancing policy transmission efficiency.

The findings would help policymakers and financial institutions to consider the effectiveness of integrated facilitation models that integrate the clarity of communication, digital platforms, and human support systems. Enhancing these dimensions will not only increase the moratorium access but will also enhance financial resilience in MSMEs.

To summarise, institutional facilitation is the most important link between the policy formulation process and policy use. The existence of an organised support ecosystem is one of the factors that will enhance the capacity of MSMEs to access financial relief policies, a factor that will aid in stabilising the economy and also enhance the economic growth of sustainable enterprises in cities like Mumbai and Pune.

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