
SME financing and its impact on economic development

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Abstract

This research assists finding possible prospects in improvement of SME financing and thus for economic development (volume), and the impact of rapid financing to SMEs on the overall inflation. It provides a base line for prospective growth and field works related to SME sector. The research observes the weightage of SME financing in total portfolio of banks and to answer queries related to, as what extent the financial sector is solely responsible for low growth of SME sector within country. Case study is taken from Banking sector within Pakistan from year 2000 to 2012 and recommendations are presented to facilitate and encourage SME financing.
