

ABSTRACT

Small and medium enterprises are of much importance for all the economies which helps in providing employment, reducing poverty, improving living standard supporting large Enterprises and so are the backbone of an economy. From literature it has been seen that among other growth/ performance constraint to SMEs, financial literacy and access to finance are of much importance. Electrical fitting sector in Sargodha which contributes to approximately 90% of whole sector facing issues in growth and performance so there is need to be focused for its development. So our focus was to understand the extent to which financial literacy impact access to finance and firm performance. This study contributes to the existing literature especially of selected sector. It can also assist policymakers to understand the situation and impact of these factors on firm performance so by focusing and taking measures accordingly can enhance SMEs performance and economic growth. In this study our focus is on Electrical fitting sector's performance. For the purpose of testing of relationship data was collected from respondents of electrical fitting Industries Sargodha Punjab using structured questionnaire. Collected data from convenient sampling have been then analyzed using SMART pls. Results reveal that access to finance plays mediating role among financial literacy and firm performance. The results of this study are in acceptable range and also it confirm hypothesis.