



## International Journal of Research in Finance and Management

P-ISSN: 2617-5754  
E-ISSN: 2617-5762  
IJRFM 2021; 4(1): 42-46  
Received: 22-12-2020  
Accepted: 24-01-2021

### Aman Jacob

Student, PSG Institute of  
Advanced Studies,  
Coimbatore, Tamil Nadu,  
India

### Harini M

Student, PSG Institute of  
Advanced Studies,  
Coimbatore, Tamil Nadu,  
India

### Raunak Noah S

Student, PSG Institute of  
Advanced Studies,  
Coimbatore, Tamil Nadu,  
India

### Dr. D Divya Prabha

Associate Professor, PSG  
College of Arts & Science,  
Coimbatore, Tamil Nadu,  
India

### Dr. VB Mathipurani

Assistant Professor, PSG  
College of Arts & Science,  
Coimbatore, Tamil Nadu,  
India

### Correspondence

#### Aman Jacob

Student, PSG Institute of  
Advanced Studies,  
Coimbatore, Tamil Nadu,  
India

## A study on awareness of Indian government schemes for MSME among the women entrepreneurs

**Aman Jacob, Harini M, Raunak Noah S, Dr. D Divya Prabha and  
Dr. VB Mathipurani**

### Abstract

MSME (Micro, Small, and Medium Enterprises) play an important role in India's industrial system. Nearly half of MSME woman entrepreneurs are conscious of government-sponsored MSME programs, according to the findings. According to the findings, about 42.00 percent of MSME believe their degree of understanding about government-sponsored schemes for MSME is medium, accompanied by strong (32.67 percent) and poor (42.00 percent) (25.33 per cent). There is a considerable gap in the essence of MSME ownership and their understanding of government sponsored schemes for MSME, as well as between MSME investment and awareness of government sponsored schemes for MSME. There is a substantial gap between MSME corporate establishment and awareness of government sponsored MSME schemes, as well as a significant difference between MSME annual sales and awareness of government sponsored MSME schemes. Through the management of raw materials supply, infrastructure services, and government-sponsored projects, the central and state governments must create a conducive and favorable external atmosphere in order to catch the potentiality of MSME.

**Keywords:** awareness, government sponsored schemes, MSME

### Introduction

MSME (Micro, Small, and Medium Enterprises) play an important role in India's industrial system. Only the MSME is ideally tailored to these circumstances in a country like India, where there is an extreme issue of jobs on one side and a lack of resources on the other. The Indian economy is defined by a large population, a diverse range of plentiful natural resources, a rapidly expanding demand, and a scarcity of capital. While agricultural production is significant, more focus should be put on industrial development because it is only this sector that will help solve the various problems that our economy faces (Pendergast, 2006)<sup>[8]</sup>.

The government has made the production of micro, tiny, and medium enterprises (MSME) a top priority. According to the Ministry of Micro, Small and Medium Enterprises' Results-Framework Paper (RFD), the government's task is to "promote growth and creation of globally competitive Micro, Small and Medium Enterprises, like Khadi, Village, and Coir industries, in coordination with concerned Ministries / Agencies, State Governments, and other stakeholders by providing help to existing enterprises" (Holcombe, 2012)<sup>[5]</sup>.

The significance of micro, tiny, and medium enterprises (MSME) in the country's economic and social growth has long been recognized. The sector accounts for 45 percent of manufacturing production and 40 percent of overall exports, according to the Working Group on Micro, Small and Medium Enterprises (MSME) Growth for the 12<sup>th</sup> Five Year Plan. Approximately 69 million people are employed in the industry, which is supported by 26 million businesses across the nation. The MSME sector in the country produces over 6000 goods varying from conventional to high-tech. In MSME, the labor-to-capital ratio is significantly greater, and the sector's average growth is much higher than in major sectors. The MSME's regional range is much more even. As a result, MSME are critical to achieving the national goals of sustainability, equity, and inclusion.

The Indian government has expressly acknowledged the dynamic position of the MSME in an increasingly globalized environment with the proclamation of the "landmark" MSMED Act, 2006. The strong thrust of recent policy interventions has been threefold: I boost competition by promoting a creative culture among companies and becoming quality

conscious; ii) deepen relations with multiple stakeholders in order to benefit from national and global networks; and iii) aim for a greater business position outside the domestic.

From raw material sourcing to processing/manufacturing to distribution to consumer facilities, the strategy emphasizes networking with partners both upstream and downstream in the global supply chain. For one thing, the Act recognizes the category of "medium" enterprises as an important segment of the manufacturing industry, and it also recognizes the distinct positions that "market service enterprises" can perform.

Aside from the MSMED Act, there are a slew of recent policy interventions in different realms, especially in relation to MSME. It's necessary to note at this point that these regulatory proposals are only in their infancy, and there's no need to feel too optimistic regarding their efficacy. Rather, extrapolating their effect should be done with considerable caution, since many such policy interventions with great potential have seldom converted into improved MSME results in the past.

**Objectives**

**The objectives of the present study are**

1. To study the awareness about government sponsored schemes for MSME among the women entrepreneurs.
2. The examine the difference between profile of MSME and awareness about Government sponsored schemes

for MSME among the women entrepreneurs.

**Methodology**

The district of Coimbatore was chosen for this analysis on intent. The MSME woman entrepreneurs were chosen by a random sampling methodology. Via a pre-tested and standardized questionnaire, data and knowledge were obtained from 300 MSME woman entrepreneurs. In order to reach the target, the frequency, percentage, and ANOVA tests were used.

**Results and Discussion**

**Awareness about Government Sponsored Schemes for MSME**

The findings of a study of women entrepreneurs' knowledge of government-sponsored MSME schemes are summarized in Table-1. According to the findings, approximately 50.67 percent of female entrepreneurs are conscious of the Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE), accompanied by strongly aware (28.3%), supportive (9.67%), not aware (8.00%), and not at all aware (8.00%). (3.33 per cent). According to the findings, approximately 60.67 percent of woman entrepreneurs are aware of the Prime Minister's Employment Generation Programme (PMEGP), with the rest being extremely aware (17.33 percent), not aware (11.0 percent), supportive (9.33 percent), and not at all aware (9.33 percent) (1.67 per cent).

**Table 1:** Awareness about Government Sponsored Schemes for MSME

Sl. No.	Particulars	Highly Aware	Aware	Neutral	Not Aware	Not at All Aware	Total
1.	Credit Guarantee Trust For Micro and Small Enterprises (CGTMSE)	85 (28.33)	152 (50.67)	29 (9.67)	24 (8.00)	10 (3.33)	300 (100.00)
2.	Prime Minister's Employment Generation Programme (PMEGP)	52 (17.33)	182 (60.67)	28 (9.33)	33 (11.00)	5 (1.67)	300 (100.00)
3.	Credit Linked Capital Subsidy Scheme for Technology Upgradation (CLCSS)	43 (14.33)	126 (42.00)	98 (32.67)	20 (6.67)	13 (4.33)	300 (100.00)
4.	Technology and Quality Up-Gradation Support (NMCP)	44 (14.67)	139 (46.33)	21 (7.00)	63 (21.00)	33 (11.00)	300 (100.00)
5.	Technology Up Gradation Support	61 (20.33)	125 (41.67)	57 (19.00)	36 (12.00)	21 (7.00)	300 (100.00)
6.	Marketing Assistance & Technology Upgradation (NMCP)	20 (6.67)	139 (46.33)	47 (15.67)	69 (23.00)	25 (8.33)	300 (100.00)
7.	Public Procurement Policy for Micro & Small Enterprises (PPP)	67 (22.33)	128 (42.67)	74 (24.67)	12 (4.00)	19 (6.33)	300 (100.00)
8.	Marketing Support / Assistance to SMEs (BAR CODE) / Financial Assistance on Bar Code in MSMES under NMCP	94 (31.33)	123 (41.00)	34 (11.33)	16 (5.34)	33 (11.00)	300 (100.00)
9.	Marketing Assistance & Technology Upgradation (MATU) Scheme	21 (7.00)	130 (43.33)	82 (27.33)	41 (13.67)	26 (8.67)	300 (100.00)

**The figures in the parentheses are per cent to total**

Around 42.00 percent of female entrepreneurs are conscious of the Credit Related Capital Subsidy Program for Technology Upgrade (CLCSS), led by neutral (32.67%), extremely informed (14.33%), not aware (6.67%), and not at all aware (6.67%). (4.33 per cent). Women entrepreneurs are conscious of Technologies and Quality Up-Gradation Help (NMCP) in about 46.33 percent of situations, led by those who are not informed (21.00 percent), extremely aware (14.67 percent), not at all aware (11.00 percent), and neutral (7.00 per cent).

According to the findings, nearly 41.67 percent of female entrepreneurs are aware of Technological Updating

Assistance, with the remainder being extremely informed (20.35 percent), neutral (19.00 percent), not aware (12.00 percent), and not at all aware (12.00 percent) (7.00 per cent). It seems that 46.33 percent of woman businesses are aware of the National Marketing Assistance and Technology Upgrade Program (NMCP), with the rest being unaware (23.00 percent), neutral (15.67 percent), not at all informed (8.33 percent), and extremely aware (8.33 percent) of the program (6.67 per cent). According to the results, 42.67 percent of female entrepreneurs are conscious of the Public Procurement Program for Micro and Small Enterprises (PPP), followed by supportive (24.67%), extremely aware (22.33%), not at all aware (6.33%), and not at all aware

(6.33%). (4.00 per cent). According to the statistics, nearly 41.00 percent of woman entrepreneurs are conscious of Marketing Help / Assistance to SMEs (BAR CODE) / Financial Assistance on Bar Code in MSMES under the NMCP, with the remainder being extremely informed (31.33%), neutral (11.33%), not at all aware (11.0%), and not at all aware (10.00%). (5.34 per cent). According to the findings, approximately 43.33 percent of woman entrepreneurs are conscious of the Marketing Assistance & Technology Upgrading (MATU) Scheme, with the remaining percentages being neutral (27.33 percent), not aware (13.67 percent), not at all aware (8.67 percent), and extremely aware (8.67 percent) (7.00 per cent).

**Profile of MSME and Awareness about Government Sponsored Schemes for MSME**

The relationship between profile of MSME and awareness about Government sponsored schemes for MSME was analyzed and the results are hereunder presented. The distribution of MSME on the basis of awareness about Government sponsored schemes for MSME was analyzed and the results are presented in Table-2. The responses of MSME of about awareness about Government sponsored schemes for MSME has been classified into low level,

moderate level and high level based on “Mean ± SD” criterion. The mean score is 29.21 and the SD is 4.38.

**Table 2:** Distribution of MSME on the Basis of Awareness about Government Sponsored Schemes for MSME

Sl. No.	Level of Awareness about Government Sponsored Schemes	Number of MSME Units	Percentage
1.	Low	76	25.33
2.	Moderate	126	42.00
3.	High	98	32.67
	Total	300	100.00

The results show that about 42.00 per cent of MSME perceive that the level of awareness about Government sponsored schemes for MSME is at medium level followed by high level (32.67 per cent) and low level (25.33 per cent).

**Nature of Ownership and Awareness about Government Sponsored Schemes for MSME**

The relationship between nature of ownership of MSME and their awareness about government sponsored schemes for MSME was analyzed and the results are presented in Table

**Table 3:** Nature of Ownership and Government Assistance

Sl. No.	Nature of Ownership	Level of Awareness about Government Sponsored Schemes			Total	F-Value	Sig.
		Low	Moderate	High			
1.	Sole Proprietorship	50 (33.78)	46 (31.08)	52 (35.14)	148 (49.33)		
2.	Partnership	20 (17.54)	60 (52.63)	34 (29.83)	114 (38.00)	5.432	.000
3.	Private Limited	6 (15.79)	20 (52.63)	12 (31.58)	38 (12.67)		
	Total	76 (25.33)	126 (42.00)	98 (32.67)	300 (100.00)		

**The figures in the parentheses are per cent to total**

According to the findings, out of 148 sole proprietorships, approximately 35.14 percent of MSME claim they have a high level of knowledge about government funded schemes for MSME, accompanied by a low level (33.78 percent) and a modest level (33.78 percent) (31.08 per cent). According to the findings, out of 114 collaborations, about 52.63 percent of MSME believe that awareness of government funded schemes for MSME is moderate, accompanied by strong (29.83 percent) and poor levels (less than 1%). (17.54 per cent). It is obvious that out of 38 private limited companies, 52.63 percent of MSME believe that awareness of government funded schemes for MSME is moderate, accompanied by strong (31.58 percent) and poor levels (32.63 percent) (15.79 per cent).

The F-value of 5.432 is statistically relevant at the 1% mark, showing that there is a significant discrepancy between the essence of MSME ownership and their knowledge of government-sponsored MSME schemes. As a consequence, the null hypothesis that there is no substantial distinction between the existence of MSME ownership and their experience of government-sponsored MSME schemes is dismissed.

**Investment and Awareness about Government Sponsored Schemes for MSME**

The relationship between investment of MSME and awareness about government sponsored schemes for MSME was analyzed and the results are presented in Table-4.

**Table 4:** Investment and Awareness about Government Sponsored Schemes for MSME

Sl. No.	Investment (Rs. in Lakhs)	Level of Awareness about Government Sponsored Schemes			Total	F-Value	Sig
		Low	Moderate	High			
1.	10-20	17 (26.98)	24 (38.10)	22 (34.92)	63 (21.00)		
2.	20-30	41 (26.45)	63 (40.65)	51 (32.90)	155 (51.67)	5.658	.000
3.	30-40	18 (21.95)	39 (47.56)	25 (30.49)	82 (27.33)		
	Total	76 (25.33)	126 (42.00)	98 (32.67)	300 (100.00)		

**The figures in the parentheses are per cent to total**

According to the findings, out of 63 MSME with an expenditure of Rs. 10-20 lakhs, 38.10% of MSME believe that awareness of government funded schemes for MSME is moderate, accompanied by strong (34.92%), and poor

(34.92%). (26.98 per cent). According to the findings, out of 155 MSME with an expenditure of Rs. 20-30 lakhs, about 40.65% of MSME claim that awareness of government funded schemes for MSME is moderate, accompanied by strong (32.90%) and poor (0.5%). (26.45 per cent). It is

apparent that out of 82 MSME with an expenditure of Rs. 30-40 lakhs, about 47.56 percent believe that awareness of government funded schemes for MSME is mild, accompanied by strong (30.49%), and poor (30.49%). (21.95 per cent). The F-value of 5.658 is statistically relevant at the 1% mark, meaning that there is a significant discrepancy between MSME expenditure and understanding of government-sponsored MSME schemes. As a result, the null hypothesis of no substantial gap between MSME

expenditure and understanding of government-sponsored MSME schemes is dismissed.

**Business Establishment and Awareness about Government Sponsored Schemes for MSME**

The relationship between business establishment of MSME and awareness about government sponsored schemes for MSME was analyzed and the results are presented in Table-5.

**Table 5:** Business Establishment and Awareness about Government Sponsored Schemes for MSME

Sl. No.	Business Establishment	Level of Awareness about Government Sponsored Schemes			Total	F-Value	Sig
		Low	Moderate	High			
1.	Own	24 (25.00)	40 (41.67)	32 (33.33)	96 (32.00)		
2.	Leased	35 (26.51)	55 (41.67)	42 (31.82)	132 (44.00)	5.916	.000
3.	Rented	17 (23.61)	31 (43.06)	24 (33.33)	72 (24.00)		
	Total	76 (25.33)	126 (42.00)	98 (32.67)	300 (100.00)		

**The figures in the parentheses are per cent to total**

According to the findings, out of 96 MSME with their own company, about 41.67 percent claim that awareness of government funded schemes for MSME is moderate, accompanied by strong (33.33%), and poor (33.33%) amounts (25.00 per cent). According to the findings, out of 132 MSME with their own business establishment, about 41.67 percent claim that awareness of government funded schemes for MSME is mild, accompanied by strong (31.82%), and poor (31.82%). (26.51 per cent). It is noticed that out of 72 MSME with their own company, 43.06 percent claim that perception of government funded schemes for MSME is mild, accompanied by strong (33.33%), and poor (33.33%) levels of awareness (23.61 per

cent).

The F-value of 5.916 is statistically relevant at the 1% mark, meaning that there is a significant discrepancy between MSME market establishment and understanding of government-sponsored MSME schemes. As a consequence, the null hypothesis that there is no substantial gap between MSME market establishment and experience of government-sponsored MSME schemes is dismissed.

**Annual Turnover and Awareness about Government Sponsored Schemes for MSME**

The relationship between annual turnover of MSME and awareness about government sponsored schemes for MSME was analyzed and the results are presented in Table-6.

**Table 6:** Annual Turnover and Awareness about Government Sponsored Schemes for MSME

Sl. No.	Annual Turnover (Rs. in Lakhs)	Level of Awareness about Government Sponsored Schemes			Total	F-Value	Sig
		Low	Moderate	High			
1.	<50	15 (20.27)	37 (50.00)	22 (29.73)	74 (24.66)		
2.	50-100	48 (29.27)	61 (37.20)	55 (33.53)	164 (54.67)	5.510	.000
3.	>100	13 (20.97)	28 (45.16)	21 (33.87)	62 (20.67)		
	Total	76 (25.33)	126 (42.00)	98 (32.67)	300 (100.00)		

**The figures in the parentheses are per cent to total**

According to the findings, out of 74 MSME with an annual revenue of less than Rs. Fifty lakhs, about 50.00 percent of MSME claim that awareness of government funded schemes for MSME is moderate, accompanied by strong (29.73%) and poor (0.5%). (20.27 per cent). According to the findings, out of 164 small manufacturing enterprises with an annual turnover of Rs. 50-100 lakhs, about 37.20 percent of MSME believe that perception of government funded schemes for MSME is mild, accompanied by strong (33.33%), and poor (33.33%) levels of awareness (29.27 per cent). It has been discovered that out of 62 small manufacturing enterprises with an annual revenue of more than Rs. 100 lakhs, 45.16 percent of MSME believe that perception of government funded schemes for MSME is mild, strong (33.87 percent), and poor (less than 1%). (20.97 per cent).

hypothesis that there is no meaningful association between MSME annual turnover and knowledge of government-sponsored MSME schemes is dismissed.

**Findings**

The majority of women MSME entrepreneurs are aware of government-sponsored MSME schemes such as Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE), Prime Minister's Employment Generation Programme (PMEGP), Credit Linked Capital Subsidy Scheme for Technology Upgradation (CLCSS), Technology and Quality Up-Gradation Support (NMCP), Technology Up Gradation Support, Marketing Assistance, and others.

According to the findings, about 42.00 percent of MSME believe their degree of understanding about government-sponsored schemes for MSME is medium, accompanied by strong (32.67 percent) and poor (42.00 percent) (25.33 per cent). There is a considerable gap in the essence of MSME ownership and their understanding of government sponsored schemes for MSME, as well as between MSME investment and awareness of government sponsored schemes for



MSME. There is a substantial gap between MSME corporate establishment and awareness of government sponsored MSME schemes, as well as a significant difference between MSME annual sales and awareness of government sponsored MSME schemes.

### Suggestions

Through the management of raw materials procurement, infrastructure services, and government industrial policies, the central and state governments must ensure that a favorable and favourable external climate is accessible to MSME in order to capture the potentiality of small manufacturing enterprises. They can interact with MSME on a regular basis via platforms and partnerships in order to raise visibility about government-sponsored services targeted at MSME. Professional development/upgrading preparation schemes and publicity assistance schemes can be retained and extended across all MSME to a larger extent. The government must have urgent funding for technological injection and/or enhancement. The government must ensure that not only Central Government offices, PSUs, and other agencies, but also State Governments, municipal bodies, and companies controlled by State Governments, conform to the MSME sector purchasing preference policy in letter and spirit. This would mean that the MSME sector's marketing pressure is reduced. The federal and state governments must ensure that collateral-free funds are accessible to MSME and that banks reach their deadlines for loan disbursement to MSME.

### Managerial Implications

The government sponsored schemes for MSME must be made available and accessible to all MSME in Coimbatore district. In aiding MSME, the government should put measures in place that make MSME accountable, when they get assistance from the government. Furthermore, government must have an accurate data base of the MSME in Coimbatore district, it would have assisted. This will lead to the MSME being more efficient in their operations in order not to waste and misuse resources. MSME in Coimbatore district should also be better informed of the available government sponsored schemes and their purposes in the development of MSME. This will result in the development of sustainable entrepreneurial ventures as they will be in a position to utilize the available services /subsidies/assistance from the government.

### Conclusion

Nearly half of MSME woman entrepreneurs are conscious of government-sponsored MSME programs, according to the findings. According to the results of this report, nearly 50.00 percent of MSME claim that their degree of knowledge of government-sponsored MSME schemes is medium. In the Coimbatore region, there is a noticeable gap in the profile of MSME and understanding of government-sponsored MSME schemes.

### References

1. Bala Subrahmanya MH. Small industry and globalisation: Implications, performance and prospects. *Economic and Political Weekly* 2012, 324-352.
2. Kaveri VS. Development of small scale industries,

- some issues. *Small Enterprises Development Management & Extension Journal* 1990;18(4):14-21.
3. Kulkarni PR. A new deal for small and medium enterprises in India. *The ICFAI Journal of Women entrepreneurship Development* 2012;5(1):18-26.
4. Monika Prakash, Nimit Chowdhary. Study of entrepreneurial motivations in India. *The ICFAI Journal of Women entrepreneurship Development* 2008;4(3):73-80.
5. Randall Holcombe G. Progress and women entrepreneurship. *The ICFAI Journal of Women entrepreneurship Development* 2012;1(3):10-28.
6. Rao VSP. Small against large in small industry development in India, New Delhi: Discovery Publishing House 1991.
7. Sitharamayya C. New industrial women entrepreneurs: Their origins and problems. *Journal of General Management* 2009;2(1):69-79.
8. William Pendergast R. Entrepreneurial contexts and traits of women entrepreneurs. *The ICFAI Journal of Women entrepreneurship Development* 2006;1(1):9-16.