

## **NSIC SCHEMES FOR MSME's – A STUDY ON STUDENTS' (ASPIRING ENTREPRENEURS) PERSPECTIVE**

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### **ABSTRACT**

This study examines the perception of aspiring entrepreneurs, particularly students, towards the National Small Industries Corporation (NSIC) schemes tailored for Micro, Small, and Medium Enterprises (MSMEs). Through surveys and interviews, it analyzes their awareness, understanding, and opinions regarding NSIC initiatives. Additionally, it seeks to explore the opinions of these students on the roles and responsibilities of NSIC and MSMEs in economic development and this research intends to provide insights into the understanding and viewpoints of future entrepreneurs towards NSIC initiatives and their impact on economic growth. Through analysis, it investigates the correlation between respondents' age and income levels, revealing a significant association. And also the study explores the relationship between MSMEs' role in GDP and economic dependency in their growth and development, finding a strong positive correlation.

### **Key words**

Micro small medium enterprises, NSIC, National Small Industries Corporation, Students perspective, Aspiring Entrepreneurs, MSME's, NSIC schemes for MSME's, Growth and development of MSME's.

### **INTRODUCTION**

The National Small Industries Corporation (NSIC) is a cornerstone in nurturing India's Micro, Small, and Medium Enterprises (MSMEs) sector. This study focuses on MBA students' perspectives, serving as a vital demographic of potential entrepreneurs.

By analyzing their views on NSIC schemes, we aim to gauge their effectiveness, identify challenges, and explore opportunities. Understanding students' aspirations and expectations can offer valuable insights for policymakers and stakeholders to refine NSIC initiatives. Through this research, we endeavor to contribute to the advancement of MSME support schemes and foster an environment conducive to entrepreneurial growth among future business leaders.

## REVIEW OF LITERATURE:

### ➤ Schemes of National Small Industries Corporation Limited - An Overview

V. Suresh Babu C. Sengottuvelu March 2019

#### Abstract:

This paper reveals that the schemes of National Small Scale Industries Limited (NSIC) and its salient features/ benefits to Micro Small Medium Enterprises (MSMEs) in India. This is a descriptive study. The important schemes are market support, material sourcing support, B2B portal, credit support, financing assistance, buyer and seller meet etc. Secondary data has been used. The practices that are followed by Public Sector Enterprises (PSEs) are referred. The various approaches that are practiced by NSIC also brought out in this paper. Further empirical study is needed to evaluate the effectiveness of each schemes. The paper also suggests the direction for further study.

- Marketing Assistance Scheme in MSME - N. Vijaya Kumari (2015)
- Role of NSIC in Technology Leadership and Growth of SMEs - V.R. Kowjalgi (December 1997)
- Government Schemes for Entrepreneurship Programs - Ami Naik, Pooja Parel (November 2022)
- Perspective on growth of MSME sector in India - Sunil B Kapadia1 , Dr. Venu V Madhav (May 2018)

## OBJECTIVE OF THE STUDY

### Primary Objective:

To study the NSIC schemes for MSME's from students perspective.

### Secondary objective:

To know the awareness and perception of entrepreneurial aspirants (MBS students) towards NSIC schemes for MSME's.

To find and determine the opinion of students aspirants on role and responsibilities of NSIC as well as MSME's on economic development.

## METHODOLOGY ADOPTED FOR THE STUDY

i. Sampling design: Probability sampling

Total population: 370

Sample size : 143

ii. **Data collection:**

Data collection was administered using structured questionnaire

iii. **Construction of questionnaire:**

The questionnaire was designed with both open and close ended questions, for which the respondents were asked to respond according to their perception. The questionnaire was physically distributed to the respondents with the help of printed questions. Likert scale method was adopted for the answering the questionnaire, which ranges from

- a) Strongly Agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly Disagree

## STATISTICAL TOOLS USED

- **Correlation:** This test was used to study the correlation between the MSME's role in GDP and Economic dependency in growth and development of MSME's.

Correlation is a statistical measurement of the relationship between two variable possible correlations range from +1 to -1. A zero correlation indicates that there is no relationship between the variables. a correlation of -1 indicates a perfect negative correlation, meaning that one variable goes up, the others goes down. A correlation of +1 indicates a perfect positive correlation, meaning that both variable moves in the same direction together.

- **Chi-square:** This test was used to analyses the hypothesis between age and income of the respondence.

The Chi-square test is a statistical procedure for determining the difference between observed and expected date. This test can also be used to determine whether it correlates to the categorical variables in our data. It helps to find out whether a difference between two categorical variables is due to chance or a relationship between them.

## CORRELATION

### ANALYSIS OF OPINION OF RESPONDENTS TOWARDS MSMS's ROLE IN GDP AND ECONOMIC DEPENDENCY IN GROWTH AND DEVELOPMENT OF MSMS's

#### HYPOTHESIS:

##### NULL HYPOTHESIS: (H0)

There is no significant relationship between MSME's role in GDP and Economic dependency in growth and development of MSME's.

##### ALTERNATIVE HYPOTHESIS: (H1)

There is a significant relationship between MSME's role in GDP and Economic dependency in growth and development of MSME's.

## CORRELATION RESULT

		MSME Role in GDP	Economic Dependency
MSME Role in GDP	Pearson Correlation	1	0.920
	Sig. (2-tailed)		0
	N	143	143
Economic Dependency	Pearson Correlation	0.920	1
	Sig. (2-tailed)	0	
	N	143	143

## INTERPRETATION:

**R = 0.920**

From the SPSS output generated, the correlation value is 0.920 and the significance value is 0.000 which is less than 1. So, the null hypothesis is rejected and alternative hypothesis are accepted.

## CHI-SQUARE

## ANALYSIS OF OPINION OF THE RESPONDENTS TOWARDS THE AGE AND INCOME OF THE RESPONDENTS

## HYPOTHESIS:

### NULL HYPOTHESIS: (H0)

There is no significant association between the age and income of the respondents.

### ALTERNATIVE HYPOTHESIS: (H1)

There is significant association between the age and income of the respondents.

**CHI-SQUARE RESULT**

	Value	Df	Asymp. Sig.(2-sided)
<b>Pearson Chi-square</b>	2.749E2	16	0
<b>Likelihood Ratio</b>	235.249	16	0
<b>Linear-by-linear Association</b>	106.579	1	0
<b>No. of valid Cases</b>	<b>143</b>		

**CALCULATION:**

Calculated value = 2.749

Degrees of Freedom = 16

Tabulated Value = 0

From the SPSS it is generated that the significance value is 0.000, which is less than 0.05 level of significance, So the NULL hypothesis is rejected.

**INTERPRETATION:**

The chi-square test was conducted to examine the association between age groups and monthly income levels. The calculated chi-square value of 274.9 with 16 degrees of freedom yielded a significance value of 0.000, indicating a highly significant association between age and monthly income at the 0.05 level of significance. Therefore, we reject the null hypothesis, suggesting that there is a significant relationship between age and monthly income levels among the observed population.

**FINDINGS OF THE STUDY**

- From the survey it shows that 37.05% of respondents are only interested to become entrepreneurs after completing their graduation.
- There is only 41.78% of respondents of the survey are only know or have knowledge about NSIC, rest of them does not know or does not have any knowledge about NSIC.
- With the reference from the survey it finds that most of respondents are interested and wish or likes to utilize the schemes, services and supports that are provided by NSIC to MSME's.
- From the survey it finds that over 60% of respondents agree or strongly agree that the presence of MSMEs has a positive impact on the local job market.
- Respondents have a positive view of MSME, more than 60% of the respondents of the survey have more awareness and somewhat aware about MSME's.
- With the reference from the survey it shows that 40% of respondents don't have any knowledge or awareness about MSME's.
- 23.78% of respondents strongly agree and 41.96% of respondents agree that MSME's play an important role in the country's GDP.
- From the survey it shows that 51.75%(74) of respondents say NSIC schemes and services are significant to the growth of MSME's and our country's economic development, 38.24%(55) of respondents say not significant and 10.11%(14) respondents stand neutral.
- The correlation coefficient between the perception of MSME's role in GDP and economic dependency in growth and development of MSME's is 0.920, indicating a very strong positive correlation.
- From the survey it shows that nearly 50% of the respondents do not have awareness about NSIC.

**SUGGESTIONS AND RECOMMENDATIONS:**

- From the survey it shows that 37.05% of respondents are only interested to become entrepreneurs after completing their graduation. Rest of the respondents have no idea about become an entrepreneur. So, the company is suggested to conduct awareness programs to increase student interest to become entrepreneurs.
- 41.78% of respondents of the survey are only know or have knowledge about NSIC, rest of them does not know or does not have any knowledge about NSIC. The company is suggested to increase the level of promotion to aware students.
- Most of respondents are interested and wish or likes to utilize the schemes, services and supports that are provided by NSIC to MSME's. Thus, the company is suggested to conduct awareness programs and promote their schemes and services.
- Over 60% of respondents agree or strongly agree that the presence of MSMEs has a positive impact on the local job market. Rest of them does not agree. So, the company is suggested to conduct programs to reduce the negative perception of the students.
- 40% of respondents don't have any knowledge or awareness about MSME's So, the suggested to conduct awareness programs and events to create awareness and provide knowledge about MSME's among students and aspirants of entrepreneurship.
- There is only 38.24%(55) of respondents says NSIC schemes and services are not significant to the growth of MSME's and our countries economic development. The company is suggested to conduct programs and events and CSR activities to change the negative perceptive of students and entrepreneurship aspirants.
- From the survey it shows that nearly 50% of the respondents does not have awareness about NSIC. So, the company is suggested to increase the level of promotion among the public as well as create awareness and conduct events/programs to attract upcoming entrepreneurs that is students.

## CONCLUSION

Through this study, it becomes evident that there is a substantial knowledge gap among students aspiring to become entrepreneurs regarding NSIC schemes for MSMEs. Addressing this gap through targeted awareness programs and educational initiatives can significantly enhance the utilization of these schemes and foster entrepreneurship among the youth. Moreover, integrating NSIC schemes into entrepreneurial curriculum can better prepare students for their future ventures.

The study reveals a significant gap in awareness among MBA students regarding NSIC schemes for MSMEs. It emphasizes the crucial role of NSIC and MSMEs in economic development, signaling the need for targeted educational initiatives to bridge the knowledge divide and maximize their impact on fostering entrepreneurship.

The study provides comprehensive insights into MBA students' perspectives on NSIC schemes and MSMEs, revealing a substantial knowledge gap and varied awareness levels. Significant associations were found between age and income levels, highlighting demographic factors influencing perceptions. Additionally, strong correlations were observed between the perceived role of MSMEs in GDP and their economic dependency, emphasizing their crucial contribution to economic development. Addressing awareness gaps and fostering collaboration between stakeholders is imperative for leveraging NSIC schemes and enhancing MSMEs' impact on India's economy.



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