



Institutional Support and Assistance to the MSME Sector through the Lens of the Sports Goods Industry

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Abstract

The awareness level regarding various Institutions/Organisations/ Agencies and Industry Associations that Provide Support and Assistance to the MSME Sector, vis-à-vis the age variable, has been undertaken for the present study. To deal with the issue of Government Policy Changes and Support Measures for the MSME Sector, the study identified age as a prominent variable, based on the review of literature. The focus of the present study will remain on age parameters vis-à-vis its relationship with different aspects of the MSMEs.

Keywords: MSME, Sport Goods Industry, Institutional support, Consulting companies

Introduction

The role of the MSMEs in shaping the future of an economy is quite influential. With the advancements in the business entrepreneurial sector, it becomes all the more crucial for the Governments to assist MSMEs on the path of progress. With MSMEs playing an integral part in India's economic growth, providing a crucial link in the supply chain, and fostering innovation, it is essential to analyse the role of Government schemes that have been framed from time to time to meet such advancements. Such analysis not only aids in providing financial assistance to them but also caters to their requirements with the changing dynamics of the global stature. With government initiatives like the *Atmanirbhar Bharat Abhiyan* and Production Linked Incentive (PLI) schemes, MSMEs are being equipped to compete globally. However, addressing challenges related to financing, technology, and skill development is essential for their sustained growth.

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These MSMEs are defined by their investment in plant and machinery and their annual turnover. MSMEs play a crucial role in India's economy, contributing significantly to employment, Gross Domestic Product (GDP), and exports, especially in rural and semi-urban areas. They are also key to entrepreneurship development and innovation. Understanding the nuances between MSMEs can therefore help policymakers craft more targeted and effective support measures for the various other stakeholders that play a pivotal role in its successful implementation. The Micro, Small, and Medium Enterprises (MSME) sector is a vital contributor to the Indian economy, playing a crucial role in manufacturing and exports. However, recent data from the Indian government indicates a concerning trend. The Gross Value Added by MSMEs in India's GDP has decreased from 30.5% in 2019-20 to 29.2% in 2021-22, and the share of MSME-specified products in All-India Exports has dropped from 49.4% in 2020-21 to 43.6% in 2022-23 (Ministry of MSME, 2023-24). The Associated Chambers of Commerce and Industry of India (Assocham) has suggested reforms in national and state policies across sectors to enhance the ease of doing business for small enterprises and build a globally competitive micro, small, and medium enterprises (MSME) ecosystem in the country (*Economic Times*, 2025).

India's MSME sector significantly impacts the GDP growth and expansion in per capita income. (Satsangi, Raghuwanshi, Singhal, & others, et.al, 2025). The economic significance of MSMEs is clearly evident from their contribution to GDP, Employment generation, export share, etc. Therefore, MSMEs boost the engine of economic growth in both developed as well as developing economies. Hence, it becomes very important for the Government initiatives to bolster the MSME sector by providing them with institutional support to MSMEs. The Ministry of Micro, Small & Medium Enterprises (M/o MSME) is an apex body that is responsible for formulating and implementing policies and programs for MSME development. It oversees a range of schemes aimed at financial assistance, skill development, infrastructure support, and market promotion. (Ganguly, et.al, 2023). This act blanketed the meaning of micro, small, and medium-sized agencies. With the current scenario that talks about fintech, sustainability, and global transformations, MSMEs have emerged as a highly vibrant and dynamic sector for young business minds to transform their business ideas into reality by simultaneously balancing the regional imbalances through their esteemed contribution in the fields of manufacturing, production, and export (Rathore, & Mathur, 2019). Therefore, with the assistance of the Government support schemes and initiatives, the journey of contributing towards a nation's economic growth could be achieved constructively.

In light of these policy changes, we find that the major development in the domain of MSMEs is the development of the MSMED ACT, 2006. This Act has created new opportunities for the growth of MSMEs at the National and State levels. Therefore, more emphasis has been given to this Act.

Review of literature

The review of relevant literature has been conducted to take into account all the pertinent studies conducted in the past to bring out the necessary research gaps.

Farajollahzadeh, & others (2016) point out the growth and contributions made by the MSMEs by comparing them with other industrial sectors and their yearly GDP contributions. They also share data related to the export destination where the MSMEs' products have their destinations. This study also states that the Government's "Make in India" program has contributed constructively towards achieving skill formation and channelising innovation.

Ashoka, M. L., et al. (2019) envisaged the role of SIDBI on 400 respondents in the Karnataka region and stipulated that SIDBI plays an important role in assisting the MSME sector in terms of providing financial assistance. Also, there are many financial and non-financial schemes being floated by the Government to assist and support entrepreneurs.

Rathore, R., & Mathur, A. (2019) show that there is the highest number of micro-enterprises in the manufacturing sector. It explains that various schemes, such as Capital subsidy schemes, National equity fund schemes, Cluster development programmes, etc., have helped in the growth and development of the MSME sector.

Srivastava, S. (2022) discusses that there is a need to create awareness about the Government schemes that have been framed to assist the MSME sector. It also brings to notice that even though the schemes are availed by the entrepreneurs, a multi-fold aspect lags behind because of the scarcity of skilled workforce with the knowledge of technological advancements.

Ganguly, S. (2023) insightfully depicts the evolution of MSMEs with respect to the changing dynamics of industrial setup. From developing itself into a self-reliant industry to transformational sustainable practices, it covers all essential aspects related to MSMEs in the present times. It also aids in discussing the various challenges faced by MSMEs and the overview of the various government support schemes in the West Bengal region of India.

Kadaba, & others (2023) discuss the aspect of financial inclusion in the era of digital innovation through the credit accessibility schemes launched by the Government of India. They state that economic growth through the various digital schemes leads to streamlining the process of e-commerce.

Singh, S. (2024) sheds light on the evolution of MSMEs and also on the various statutory bodies that come under the Ministry of MSMEs. It personifies the potential of MSMEs in a way that attracted the Government of India's keen interest in taking it to new heights with the establishment of various statutory as well as non-statutory bodies under its aegis.

Singh, R. (2024) gives qualitative insights into the various technological upgradations along with the much-needed infrastructural facilities that support not just the MSME workforce but also the artisans. It also states the financial infusions made by the Government for the growth of MSMEs.

Bansal, S., & Yadav, S. (2025) reflect upon the implementation of the government schemes through the bank participation helps in overcoming the gaps faced by the MSME sector. They also explain that certain improvements are required to tap the opportunities of the changing global paradigm.

Bhajantri, H. (2025) shares that the Government should emerge from the front foot so that the benefits of its schemes are awarded to the actual beneficiaries having legitimate enterprises in the MSME sector. The main causes of the lack of awareness are also discussed under it, which aids in a better understanding of the pitfalls and Challenges faced by the MSME sector.

Govindasamy, S., & Nagarajan, S. (2025) carefully analyse the impact of the Pradhan Mantri MUDRA Yojana. They state that this scheme has strengthened financial inclusion in the MSME sector. This has further improved the job creation and boosted the economic growth of the country.

Nambiar, J. (2025) explains the gaps bridged by the PMMY between the classic banking channels and small enterprises, giving a boost to the rural and urban domains in terms of opportunities with equitable distribution. But it also mentions that the role of a reliable banking partner is required for its successful implementation to avoid fraud.

Satsangi, Raghuwanshi, & others. (2025) discuss the significance of the three key schemes- MUDRA, Stand-up India, and Startup India, with their impact on the overall MSME sector. It

also shares insights on how the assistance offered by these schemes could lead to sustained economic growth with informed decision-making.

Research Methodology

In order to collect data, 107 sports goods enterprises were interviewed personally. The data so collected was analysed using descriptive analysis. The percentage and frequency method was used to check the awareness level amongst respondents. The data was further analysed in order to check the association of the age of the Enterprises vis-a-vis the Awareness/ Perception level concerning organisational support available to MSMEs.

1. Awareness level regarding various Financial Institutions that provide support and assistance to the MSME Sector

Many organisations support MSMEs in India. Awareness Levels about various Organisations like National Government, State Government, Local Administration, Large Foreign Companies, Association of Entrepreneurs, Insurance Companies, International Donors, Consulting Companies and Agencies, Banks, and Chambers of Commerce were sought as Yes, coded as 1, and No, coded as 0. The responses are presented in the table1 which shows the results of those enterprises that were aware of the agencies.

Table 1: Organisations that support the MSMEs

Sl. No.	Organisations	Frequency	Percentage
i.	National Government	42	39.25
ii.	State Government	12	11.21
iii.	Local Administration	5	4.67
iv.	Large Foreign companies	6	5.60
v.	Association of Entrepreneurs	41	38.31
vi.	Insurance companies	10	9.34
vii.	International Donors	3	2.80

viii.	Consulting Companies and Agencies	6	5.60
ix.	Banks	21	19.62
x.	Chamber of Commerce	19	17.75

Source: Compiled by researcher from primary data.

The data relating to Organisational support to the MSMEs in India is presented in Table 1. It shows the frequency and percentage of those Enterprises that believe that Organisational support is available for Indian MSMEs.

The analysis of the data reveals that only 39.25 percent of the respondents stated that the National Government supports MSMEs. A mere 11.21 percent of the respondents stated that the state government supports the MSMEs. Further, a mere 4.7 percent of the respondents stated that local governments support MSMEs. Only 5.60 percent of the total percentage of respondents stated that Large Foreign Companies provide support to MSMEs. A mere 38.31 percent of the respondents believed that the Association of Entrepreneurs provides support to MSMEs. Further, only 9.34 percent of the total respondents stated that insurance companies provide support to MSMEs. Only 2.80 percent of Entrepreneurs considered International Donors as helpful. Further, 5.60 percent of the respondents opined that Consulting Companies and Agencies help and support MSMEs. Only 19.62 percent of the respondents stated that banks provide support and help to MSMEs. Lastly, 17.75 percent of the respondents stated that the Chamber of Commerce helps and supports the MSMEs.

2. Association between the Age of the Enterprises and Awareness/ Perception level regarding Organisational support available to Micro, Small, and Medium Enterprises

The Awareness level of the Entrepreneurs was checked by associating them with the Enterprise's age. The purpose of this analysis is to analyse the policy changes and support measures provided to the MSME sector by various Organisations. The following hypotheses have been set to conduct the study:

H₀ : There is no significant association between enterprises' age and their awareness level about organisations that provide assistance to the MSME sector.

H_1 : There is a significant association between enterprises' age and their awareness level about organisations that provide assistance to the MSME sector.

The Null and Alternate hypotheses have been tested on various Organisations like the National Government, State Government, Local Administration, Large Foreign Companies, Association of Entrepreneurs, Insurance Companies, International Donors, Consulting Companies and Agencies, Banks, and the Chamber of Commerce. The results are shown in Table 2.

Table 2: Association between Enterprises' Age and Awareness/ Perception about Organisations that support MSMEs

Organisations	Age Intervals										Pearson χ^2				H_0
	I (n=23)		II (n=24)		III (n=23)		IV(n=37)		Total (107)		χ^2 val. D F=3	Sig. val.	Φ_c	r_s	
	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes					
National Government	18 (78.3 0)	5 (21.7 0)	11 (45.8 0)	13 (54.2 0)	11 (47.8 0)	12 (52.2 0)	25 (67.6 0)	12 (32.4 0)	65 (60.7 0)	42 (39.3 0)	7.53 0	0.057	0.265	0.019	Accepted
State Government	22 (95.7 0)	1 (4.30)	20 (83.3 0)	4 (16.7 0)	19 (82.6 0)	4 (17.4 0)	34 (91.9 0)	3 (8.10)	95 (88.8 0)	12 (11.2 0)	3.04 5	0.385	0.169	0.009	Accepted
Local Administration	22 (95.7 0)	1 (4.30)	22 (91.7 0)	2 (8.30)	21 (91.3 0)	2 (8.70)	37 (100)	0 (0.00)	102 (95.3 0)	5 (4.70)	3.37 7	0.337	0.178	- 0.103	Accepted
Large Foreign Companies	22 (95.7 0)	1 (4.30)	21 (87.5 0)	3 (12.5 0)	21 (91.3 0)	2 (8.70)	37 (100)	0 (0.00)	101 (94.4 0)	6 (5.60)	4.83 5	0.184	0.213	- 0.119	Accepted
Association of Entrepreneurs	16 (69.6 0)	7 (30.4 0)	13 (54.2 0)	11 (45.8 0)	14 (60.9 0)	9 (39.1 0)	23 (62.2 0)	14 (37.8 0)	66 (61.7 0)	41 (38.3 0)	1.18 8	0.756	0.105	0.024	Accepted

Insurance Companies	22 (95.7 0)	1 (4.30)	20 (83.3 0)	4 (16.7)0	20 (87.0 0)	3 (13.0 0)	35 (94.6 0)	2 (5.40)	97 (90.7 0)	10 (9.30)	3.24 6	0.355	0.174	- 0.033	Accepted
International Donors	23 (100)	0 (0.00)	23 (95.8 0)	1 (4.20)	21 (91.3 0)	2 (8.70)	37 (100)	0 (0.00)	104 (97.2 0)	3 (2.80)	4.82 4	0.185	0.212	- 0.016	Accepted
Consulting Companies and Agencies	23 (100)	0 (0.00)	21 (87.5 0)	3 (12.5 0)	20 (87.0 0)	3 (13.0 0)	37 (100)	0 (0.00)	101 (94.4 0)	6 (5.60)	8.12 1	0.044 *	0.275	- 0.055	Rejected
Banks	19 (82.6 0)	4 (17.4 0)	16 (66.7 0)	8 (33.3 0)	19 (82.6 0)	4 (17.4 0)	32 (86.5 0)	5 (13.5 0)	86 (80.4 0)	21 (19.6 0)	3.88 1	0.275	0.190	- 0.096	Accepted
Chambers of Commerce	20 (87.0 0)	3 (13.0 0)	18 (75.0 0)	6 (25.0 0)	17 (73.9 0)	6 (26.1 0)	33 (89.2 0)	4 (10.8 0)	88 (82.2 0)	19 (17.8 0)	3.52 7	0.317	0.182	- 0.055	Accepted

Source: Compiled by researcher

Table 2 states that no Enterprise out of 23 in the Age group of fifteen years was aware of Consulting Companies and Agencies' assistance to the MSME Sector. Three out of 24 Enterprises falling under the age band of 16 to 30 years were found to be aware of Consulting Companies and Agencies' assistance to MSME Sector while three out of 23 Enterprises falling under the Age band of 31 to 45 years were found to be aware of Consulting Companies and Agencies' assistance to MSME Sector. No Enterprise (37) from the Age group of 46 years and above was found to be aware of Consulting Companies and Agencies' assistance to the MSME Sector, $\chi^2(3, N=107) = 8.121$, $*p < 0.05$; $\Phi_c = .275$; $r_s = -.055$).

Interpretation

The results of the Chi-Square reveal that the P values of all enterprises are greater than the significance level of 0.05, except for the P value recorded against Consulting Companies and Agencies. The P value as recorded against Consulting Companies and Agencies is 0.044, which is less than the significance level of 0.05. Thus, the Null hypothesis for Consulting Companies and Agencies is rejected, which implies that there is a significant association between an Enterprise's age and its awareness level regarding assistance provided by Consulting Companies and Agencies

to the MSME sector. In other words, it also implies that the Age of the Enterprises has a significant impact on the perception of Enterprises related to Consulting Companies and Agencies.

Conclusion

But for Consulting Companies and Agencies, the null hypothesis for all other supporting organizations providing support to the MSME sector is accepted, implying that there is no significant relation/association between Enterprises' age and their awareness level regarding all other organisations that provide assistance to the MSME sector. In other words, it also implies that organisations lack basic knowledge about the support being offered to them by different organisations. The economic significance of MSMEs is clearly depicted by their contribution to GDP, Employment generation, export share, etc. Therefore, MSMEs boost the engine of economic growth in both developed as well as developing economies. Hence, it becomes very important for the Government initiatives to bolster the MSME sector by providing them with institutional support to MSMEs.

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