



Women Entrepreneurs in India

KEYWORDS

Rationale behind Women Entrepreneurship, Nature of business Indian Women are into Government's Policy for Women, Problems faced by women Entrepreneurs Schemes for development and promotion of women entrepreneurs

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ABSTRACT *One primary objective of this paper is to find out the status of women entrepreneurs in India. In Hindu scriptures, woman has been described as the embodiment of shakti. But in real life she is treated as Abla.. This paper includes rationale behind the women entrepreneurship. Another main objective of this paper was to analyse policies of Indian government for women and also to analyse that are those policies enough for the growth of women entrepreneurship. Main reasons for women to become an entrepreneur, the institutions that are helping the women to put their thoughts into action are also included in this study. Another objective of this paper was to deeply analyse the profile of women entrepreneurs and problems faced by them while pursuing their business. On the basis of this analysis some recommendations are given to promote spirit of women entrepreneurship and helping the women to become a successful entrepreneur.*

Introduction:

In Hindu scriptures, woman has been described as the embodiment of shakti. But in real life she is treated as Abla..

Women Entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. Government of India has defined women entrepreneurs as an enterprise owned and controlled by a women having a minimum financial interest of 51% of the capital and giving at least 51% of employment generated in the enterprise to women. Like a male entrepreneurs a women entrepreneur has many functions. They should explore the prospects of starting new enterprise; undertake risks, introduction of new innovations, coordination, administration and control of business and providing effective leadership in all aspects of business.

Women owned businesses are highly increasing in the economies of almost all countries. The hidden entrepreneurial potentials of women have gradually been changing with the growing sensitivity to the role and economic status in the society. Skill, knowledge and adaptability in business are the main reasons for women to emerge into business ventures. 'Women Entrepreneur' is a person who accepts challenging role to meet her personal needs and become economically independent. A strong desire to do something positive is an inbuilt quality of entrepreneurial women, who is capable of contributing values in both family and social life. With the advent of media, women are aware of their own traits, rights and also the work situations. The glass ceilings are shattered and women are found indulged in every line of business from 'pappad' to power cables.

Right efforts on from all areas are required in the development of women entrepreneurs and their greater participation in the entrepreneurial activities.

Problems of Women Entrepreneurs in India.

Highly educated, technically sound and professionally qualified women should be encouraged for managing their own business, rather than dependent on wage employment outlets. The unexplored talents of young women can be identified, trained and used for various types of industries to increase the productivity in the industrial sector. A desirable environment is necessary for every woman to inculcate entrepreneurial values and involve greatly in business dealings. But ...

Women in India are faced many problems to get ahead their life in business. A few problems can be detailed as;

- 1) Lack of confidence – In general, women lack confidence in their strength and competence. The family members and the society are reluctant to stand beside their entrepreneurial growth. To a certain extent, this situation is changing among Indian women and yet to face a tremendous change to increase the rate of growth in entrepreneurship.
- 2) Socio-cultural barriers – Women's family and personal obligations are sometimes a great barrier for succeeding in business career. Only few women are able to manage both home and business efficiently, devoting enough time to perform all their responsibilities in priority.
- 3) Market-oriented risks – Stiff competition in the market and lack of mobility of women make the dependence of women entrepreneurs on middleman indispensable. Many business women find it difficult to capture the market and make their products popular. They are not fully aware of the changing market conditions and hence can effectively utilize the services of media and internet.
- 4) Motivational factors – Self motivation can be realized through a mind set for a successful business, attitude to take up risk and behavior towards the business society by shouldering the social responsibilities. Other factors are family support, Government policies, financial assistance from public and private institutions and also the environment suitable for women to establish business units.
- 5) Knowledge in Business Administration – Women must be educated and trained constantly to acquire the skills and knowledge in all the functional areas of business management. This can facilitate women to excel in decision making process and develop a good business network.
- 6) Awareness about the financial assistance – Various institutions in the financial sector extend their maximum support in the form of incentives, loans, schemes etc. Even then every woman entrepreneur may not be aware of all the assistance provided by the institutions. So the sincere efforts taken towards women entrepreneurs may not reach the entrepreneurs in rural and backward areas.
- 7) Exposed to the training programs - Training programs and workshops for every type of entrepreneur is available through the social and welfare associations, based on duration, skill and the purpose of the training program. Such programs are really useful to new, rural and young entrepreneurs who want to set up a small and medium scale unit on their own.
- 8) Identifying the available resources – Women are hesitant to find out the access to cater their needs in the financial

and marketing areas. In spite of the mushrooming growth of associations, institutions, and the schemes from the government side, women are not enterprising and dynamic to optimize the resources in the form of reserves, assets mankind or business volunteers.

Schemes for development and promotion of women entrepreneurs:

According to the Third All India Census of Small Scale Industries conducted in 2001-02 and subsequent estimates made, only 10.11% of the Micro and Small Enterprises in India are owned by women while 9.46% of the MSE enterprises are managed by women. As per the latest available estimates, the number of women owned and women managed enterprises is 12.99 lakh and 12.15 lakh respectively.

In order to encourage more and more women enterprises in the MSE sector, several schemes have been formulated by this Ministry and some more are in the process of being finalized, targeted only at the development of women enterprises in India.

The following is a brief notes on some of the important schemes that are made specifically for women or give special benefits to women.

1. Trade related entrepreneurship assistance and development scheme for women (TREAD):

With a view to encourage women in setting up their own ventures, government launched a Scheme, namely, Trade Related Entrepreneurship Assistance and Development (TREAD) during the 11th Plan. The scheme envisaged economic empowerment of women through the development of their entrepreneurial skills in non-farm activities. There are three major components of the scheme;

- Govt. of India grant upto 30% of the total project cost to the Non-Government Organisations (NGOs) for promoting entrepreneurship among women. The remaining 70% of the project cost is financed by the lending agency as loan for undertaking activities as envisaged in the project.
- Govt. of India grant upto Rs.1 lakh per programme to training institutions / NGOs for imparting training to the women entrepreneurs.
- Need-based Govt. of India grants upto Rs.5 lakh to National Entrepreneurship Development Institutions and any other institutions of repute for undertaking field surveys, research studies, evaluation studies, designing of training modules etc.

2. Micro & small enterprises cluster development programme (MSE-CDP):

a) Existing Clusters:

A cluster is defined as a group of enterprises, normally 20 or more producing same/similar products/services. The Cluster Development Programme (CDP) being implemented envisages diagnostic study of identified clusters of traditional skill-based MSEs to identify appropriate technologies and their providers and to facilitate adoption of available technology meeting the specific needs of the end users. The Cluster Development aims at enhanced competitiveness, technology improvement, adoption of best manufacturing practices, marketing of products, employment generation etc. The scheme provides assistance for capacity building, common facilities, marketing etc. the delivery, assimilation and diffusion of the identified technology from its producers to the recipient user/cluster of small enterprises.

b) Creation of physical infrastructure:

This Ministry implemented the IID Scheme to provide developed sites with infrastructural facilities like power distribution network, water, telecommunications, drainage and pollution control facilities, roads, exhibition/display centres, raw materials, storage and marketing outlets, common service facilities and technological back-up ser-

vices, etc. This scheme has been subsumed in the MSME-Cluster Development Programme. All the features of IID Scheme have been retained.

To create physical infrastructure exclusively for women enterprises central grant of 40% of the project cost subject to a maximum of Rs.2 crore is available. The Ministry of MSME is making efforts to enhance the quantum of grant to 80% in a project of Rs.10 crore.

3. Credit guarantee fund scheme:

The Government introduced the Credit Guarantee Fund Scheme for Small Industries in May, 2000 with the objective of making available credit to SSI units, particularly tiny units, for loans up to Rs. 25 lakh without collateral/ third party guarantees. The Scheme is being operated by the Credit Guarantee Fund Trust for Small Industries (CGTSI) set up jointly by the Government of India and SIDBI. The Scheme provides for collateral free credit facility (term loan and / or working capital) extended by eligible lending institutions to new and existing SSI units/ Small Scale Service and Business (industry related) Enterprises (SSSBs) including Information Technology and Software Industry up to Rs. 25 lakh per borrowing unit. In the case of women enterprises, the guarantee cover is up to 80% of the credit subject to maximum guarantee limit of Rs. 20 lakh. The member lending institutions (MLI) availing of guarantee from the Trust have to pay a one-time guarantee fee of 1.5% of the credit facility (comprising term loan and / or working capital) sanctioned by the lending institution to the borrower and annual service fee of 0.75% per annum on the amount of credit facility extended by the MLI, which is covered under the scheme.

4. Support for entrepreneurial and managerial development:

MSME DIs regularly conduct EDPs/MDPs for existing and prospective entrepreneurs and charge fee for such courses. To encourage more entrepreneurs from among the SC/ST, women and physically challenged groups, it is proposed that such beneficiaries will not be charged any fees but, instead paid a stipend of Rs.500/- per capita per month. 50,000 entrepreneurs will be trained in IT, Fashion Technology, Catering, Agro & Food Processing, Pharmaceutical, biotechnology etc. through specialized courses run by MSME DIs. 20% of courses conducted by these Institutions shall be exclusively for women.

5. Exhibitions for women under promotional package for micro & small enterprises approved by CCEA under marketing support:

DC (MSME) has formulated a scheme for women entrepreneurs to encourage Small & Micro manufacturing units owned by women in their efforts at tapping and developing overseas markets, to increase participation of representatives of small/micro manufacturing enterprises under SIDO stall at International Trade Fairs/Exhibitions, to enhance export from such units. Under this scheme participation of women entrepreneurs in 25 international exhibitions is envisaged during the 11th Plan.

For the year 2007-08 a good number of prominent women entrepreneur associations have been requested to sponsor their members for participation in 5 international exhibitions scheduled during the months of Jan.-March, 2008. With a view to encourage women entrepreneurs to participate in the International Exhibitions it has been decided to:

- Provide rent free space in the exhibitions.
 - Reimburse 100% economy class air fare for one representative.
 - Reimburse shipping cost upto Rs.15,000/-.
- The overall ceiling shall however be Rs. 1.25 lac.

6. Dena Bank to support India's women entrepreneur

Dena Bank will help Government of India's initiative to encourage women entrepreneurs for self-employment ventures in any kind of non-farm activity

Dena Bank on Monday signed a Memorandum of Understanding (MoU) with the Ministry of Micro, Small and Medium Enterprises (MSME) in India for operating a programme to encourage and assist women entrepreneur.

Conclusion

Empowering women entrepreneurs is essential for achieving the goals of sustainable development and the bottlenecks hindering their growth must be eradicated to entitle full participation in the business. Apart from training programs,

Newsletters, mentoring, trade fairs and exhibitions also can be a source for entrepreneurial development. As a result, the desired outcomes of the business are quickly achieved and more of remunerative business opportunities are found. Henceforth, promoting entrepreneurship among women is certainly a short-cut to rapid economic growth and development. Let us try to eliminate all forms of gender discrimination and thus allow 'women' to be an entrepreneur at par with men.

REFERENCE

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