



WOMEN ENTREPRENEUR: A STUDY WITH SPECIAL REFERENCE TO INDIAN MSME SECTOR

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ABSTRACT :

Women entrepreneurs can play ineluctable role in Indian economy development. But the business culture in economy is dominated by males because of mindset of people that business is only meant for man and there is little for women entrepreneur for effective networking that support business advice, mentoring, learning and creating resources. In order to overcome this problem, government of India and many institutions came up with many schemes, policy initiatives since economic liberalization,1991 so as to promote entrepreneurship among women. It results in continuously increase in entrepreneurship among women because more and more women start associating with entrepreneurship every year. The analysis for the present study is made from MSMEs annual reports which are available on website of Ministry of micro, small and medium enterprise where year, 2017 is being touted as the year when country's women professionals will finally break through the glass ceiling, there is imprudent increase in women entrepreneur (more than double) in fiscal year 2016-17. The study concludes that women entrepreneurship not only help in more domestic production but also help in more employment generation, empower women in addition to it they make particularly strong contribution to the economic well-being of the of the family and community, poverty reduction, thus contributing to the Millennium Development Goals.

KEYWORDS : Women entrepreneur, MSMEs, MSME Schemes, Economic Development.

INTRODUCTION

India continue to be a land of opportunities offering excellent scope of those who dream to be an entrepreneur. Despite being one of the largest populated economy it still ranked much lower in the world's most innovative and successful entrepreneurial venture. According to world bank report India can grow in double digits if more women participate in Indian product line. As because of many contentious issues women's in India have not got the place they deserve. They have been neglected a lot. They contribute to over 45% of country population and two-third of them are not directly involved in productive workforce which results in killing of half of the productive workforce of which many of them can turn entrepreneurs. In order to overcome this problem government of India came up with many policy initiatives to promote entrepreneurship and growth among women in addition to it MSME development organization, Small scale industrial development corporation, nationalized banks even NGO'S are conducting various programs including entrepreneurship development program (EDP) to cater the need of potential women entrepreneur who may have adequate education background and skills.

MICRO SMALL AND MEDIUM ENTERPRISE (MSME)

Micro, small and medium enterprises (MSME) are small sized entities defined in terms of size of their investment. They are contributing significantly to output, providing large employment opportunities at comparative lower capital cost than large industries and also helps in industrialization of rural and backward areas, which results in reducing regional imbalance, assuring equitable distribution of national income and wealth. MSMEs contribute enormously to the socio-economic development of the economy as compare to large industries.

In accordance with the provision of Micro, Small & Medium Enterprises Development (MSMED) Act, 2006 the Micro, Small and Medium Enterprises (MSME) are classified as:

Manufacturing Sector	
Enterprise Category	Investment in plant & machinery
Micro Enterprises	Does not exceed twenty five lakh rupees
Small Enterprises	More than twenty five lakh rupees but does not exceed five crore rupees
Medium Enterprises	More than five crore rupees but does not exceed ten crore rupees
Service Sector	
Enterprise Category	Investment in equipment
Micro Enterprises	Does not exceed ten lakh rupees:
Small Enterprises	More than ten lakh rupees but does not exceed two crore rupees
Medium Enterprises	More than two crore rupees but does not exceed five core rupees

Women Entrepreneur:

Women entrepreneur are the woman or group of women who initiate, organize and run a business enterprise. Government of India women entrepreneur as owning and controlling an enterprise with woman having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to the women.

Function of Women Entrepreneur-

Women entrepreneur has to perform all the functions which are involved in establishing of an enterprise. They face problems, challenges from the beginning till the functioning of the enterprise. Functions which are generally performed by women entrepreneur includes-

- **Creating New Venture** -Women entrepreneur are imaginative in nature and they develop the idea of new venture by identifying and evaluating the available opportunities. They convert their selected opportunity into a new venture. However, the function of women is not end with formation of enterprise they have to further organize and manage the business enterprise. She alone decides the lines of business, its expansion and capital employment.
- **Risk Bearing**-It implies assumption of bearing loss due to unforeseen contingencies of the future. A business also involve risk which can be due too possibility of change in the taste of consumer, technique of production, new inventions. She bears all the possible risks of the business. So the risk bearing is the important function that an entrepreneur has to perform. However, she can try to reduce the risk with her initiatives, knowledge, skills and appropriate decision making capability.
- **Innovation**-It is the another major function that is performed by the women entrepreneur. She has to introduce new product, creation of new market, application of new process of production, discovery of new and developing a new and better sources of raw material and developing a better form of industrial organization in order to perform this function.
- **Business Decision**- Women entrepreneur has to decide the nature and type of goods to be produced, best possible method of production and services to be rendered in the society. She has to decide the specific industry in which she will engaged in order to get reasonable return. To perform

all these function, she is required to be a good decision maker. So it is one of the most important function that a women entrepreneur has to perform that is to take effective decision in order to survive for long run.

- **Managerial Function-** Managerial functions include planning, organizing, staffing, directing and controlling, and a women entrepreneur performs a lot of managerial functions in the enterprise based on the size and the activities performed by the enterprise in order to keep their venture function with success. These functions include formulation of business plans, arrangement of finance, purchase of raw material, procurement of production facilities, sales organizing, personnel management.

REVIEW OF LITERATURE:

Singh and Singh (2018) studied the role and status of women entrepreneur in the economic development of India by using secondary data and they found that women participation in economic activity not only require from human point of view but also essential in order to raise status of women in society. Government also frame policies in order to promote entrepreneurship among women.

Goel and Madan (2019) in their paper "Benchmarking Financial Inclusion for Women Entrepreneurship: A Study of Utrakhand State of India" determined the relative importance of different factors in women entrepreneurship through primary data which is collected from two hundred and fifty women entrepreneur and it was found that financial inclusion significantly affect women entrepreneur it provide a platform to women to establish a new enterprise. Various initiatives were taken to promote financial inclusion as it was found during analysis that females did not had proper awareness about those schemes. The major reasons that researcher found for poor awareness toward financial inclusion were- lack of education, poor internet penetration, lack of usage of banking facilities and many more therefore focus should be made to move such obstacles and to promote entrepreneurship.

Sharma (2018) makes an attempt to study the women entrepreneurship in Aligarh district. The study was based on primary data through structured questionnaire collected from two hundred respondents and it was found that the development of women entrepreneurship in Aligarh district is limited but there were sufficient development possibilities for women entrepreneur which include initiation of business program according to need and resources of local and urban area, career centered program and seminars in ordered to encourage and motivate students to become entrepreneur in addition to it usefulness of that program increase with the start of training program for entrepreneurship.

Sundari and Gannasekaran (2019) in their paper "A study on Women Entrepreneurs in Samaypuran Tiruchirappalli District, Tamil Nadu" studied the nature of business and income earned by the women entrepreneur. Both primary and secondary data used for the analysis, primary data was collected from hundred respondents through structured questionnaire and personal interview method and it was found that women entrepreneur played crucial role and majorly contribute for the growth of Indian economy. Due to modernization, urbanization and development of education the participation of women increases in several fields. The respondents provide different reasons to become entrepreneur 35% said entrepreneurship help them in earning money, 26% said they want to become economically independent, 20% want to become owner, 15% want to uplift their family and 4% of the respondents due to divorce and the main problem faced by them is lack of awareness, family support and financial support.

Ali and Salisu (2019) examined the affected women empowerment in Northern Nigeria and concluded that there was mostly male entrepreneur as compared to females. However, as the indication during study they found that women were interested in small businesses or start developing an interest in businesses. The organization was changed at that time and women got victory almost in every aspect covering accountability and responsibility. They observed that every successful entrepreneur started from somewhere. There was no magic that smoothly launches out of one's cubicle confinement into the free world of entrepreneurship.

OBJETIVES OF THE STUDY

- To confer the role of women entrepreneur in economic development.
- To examines various schemes provided by government to promote women entrepreneurship.
- To analyse the share of women entrepreneurship in MSME Sector.

METHODOLOGY

The present study is qualitative in nature and makes an attempt to analyse the share of women entrepreneurs in MSME sector by using annual report of Ministry of Micro, Small and Medium Enterprise, Government of India, ranging from year (2006-07) to year (2017-18). In addition to MSME reports data is gathered from various books, journals, websites and magazines. MS- Excel is used to analyse the trend of MSMEs by forming bar diagram.

ROLE OF WOMEN ENTREPRENEUR IN ECONOMIC DEVELOPMENT

Women entrepreneur not only launches a venture in the economy but also contribute to various other societal aspects such as employment creation, output growth, technologies upgradation, improvement in quality of production, import substitution, export promotion and supply of goods at a reasonable price to the customers. The main roles that a women entrepreneur plays for economic development are as follows:

- **Employment Generation-** Women entrepreneurs play a key role in generation employment by establishing micro, small and medium enterprise and service centers, establishing enterprise in rural and backward areas. So in this way they help in generation employment directly or indirectly.
- **Balanced Regional Development-** Entrepreneur is interest to establish their venture in urban areas because of easy availability of resources. It generates the problem of regional disparity so women entrepreneur by establishing venture in backward areas can help to overcome this problem, and it result to balanced regional development.
- **Increase in per-capita Income:** As women are engaged in several businesses along with men. She is also contributing to convert the country's idle resources like- land, labour, capital into product and services. So it resulted in increased net national income and per capita income of the economy.
- **Improvement in standard of living:** Women by taking an initiative to establish their own enterprise helps in removing scarcity of industrial commodities. New qualitative and varied products are manufactured according to the requirement of different segments of the society all these measures helps to improve the standard of living of people of the economy.
- **Dispersal of economic power:** As women also starting establishing their own ventures which results in increment in industrial development, as a result of which the economic power not remains in few hands which is a good indication for the economy. So, by setting up a large number of enterprise the evils of concentration of economic power can be removed.
- **Social Stability:** Women entrepreneur by establishing venture not only become independent but also help in bringing social stability in the economy. They can do so by deepening self-confidence, empowering other women through enterprises, elimination of poverty through enterprise, promotion of handicrafts, artists etc.

POLICIES AND SCHEMES TO PROMOTE WOMEN ENTREPREENURSHIP

Women entrepreneurs play significant role in economy development, Government announces schemes time in time in order to encourage women to become an entrepreneur so that they also become a contributors of GDP. These schemes include:

1. **Annapurna Scheme:** Women having food catering business with finance requirement can avail loan under this scheme. The loan can be sanction up to Rs 50000 by giving collection in form of assets and also require guarantors in order to avail loan. It must be paid within 3 years. Interest rate varies according to the market rate. The loan under this scheme is offered by Bhartiya Mahila Bank & State Bank of Mysore.

2. **Orient Mahila Vikas Yojna Scheme:** This scheme is provided by government to women entrepreneurs with aim to provide capital for starting small businesses. This scheme was initiated by Oriental Bank of Commerce. The women having 51 % of ownership in business can avail benefits of this scheme. There is no cultural requirement if the loan amount is below Rs 10 lakh. The time period to repay loan is 7 years.
3. **Dena Shakti Scheme:** Women administrating business of manufacturing goods & agricultural work avail benefits under this scheme. A loan of maximum Rs 20 Lakh sanctioned under this category of education, housing and retail trading, however the category of micro credit, loans up to a limit of Rs 50000 are offered. This scheme offered 0.25 % concession on rate of interest.
4. **Udyogini scheme:** Punjab and Sind bank promote this low interest rate business loan scheme. The women having age between 18-45 years and family income less than Rs 45000 can avail loan up to Rs 1 Lakh on low interest rate under this scheme. There is no income limit for widowed & disable women belonging to SC / ST category, they also get subsidy of 30 % of loan or Rs 10000 (whichever is lower) however a subsidy of 20 % of loan or Rs 7500 which is lower is provided to Oriental Category of Women.
5. **Cent Kalyani Scheme:** Central Bank of India launches this scheme ideally for women who are managing small and medium entrepreneurs or engage in agricultural work / retail trading. A loan upto an amount of Rs 100 Lakh is sanctioned under this scheme without the requirement of collateral. This is the biggest benefit of this scheme that can avail, the interest rate value varies according to market rates.
6. **Mohila Udyam Nidhi Scheme:** Launched by Punjab National Bank to help women who set up new projects. Small scale sector is targeted under this scheme. A loan upto an amount of Rs 10 lakh is sanctioned under this scheme. The time limit to repay the loan is 10 years. Interest rate value under this scheme also varies according to market rates.
7. **Mudra Yojna Scheme:** This scheme aims to provide financial support to women entrepreneurs of India who want to open day care centre, beauty salon as a similar small venture. It also benefits to women who are interested in opening business. A loan between Rs 50000 to 50 lakh is sanctioned under this scheme. The scheme provides three plans and a woman can avail in any plan that is suitable for her.
 1. Shishu Plan: This plan is for businesses who are at this initial stage. A loan upto an amount of Rs 50000 are sanctioned under this scheme.
 2. Kishor Plan: Here loan is provided to well establish businesses. Loans ranging from Rs 50000 to Rs 5 lakh are sanctioned in this scheme.
 3. Tarun Plan: A loan in order to expand the existing business is provided under this scheme. Here loans are sanctioned up to a limit of Rs 50 Lakh.
8. **Bhartiya Mahila Business Loan Scheme:** Former prime minister Manmohan Singh on 19/11/2002 on the occasion of 96th birth anniversary of former Indian Prime Minister Indira Gandhi inaugurates Bhartiya Mahila Bank. Later on 1/4/2007 the bank merged with SBI. Loan up to Rs 20 crore are sanctioned for manufacturing enterprise under this credit guarantee Fund Trust for micro & small enterprise (CGTMSE), however a collateral free loan can be sanctioned up to Rs 1 crore. The limit for repayment of loan is 7 years at an interest rate of 12.25 %.
9. **Stree Shakti Package For Women Entrepreneurs:** This scheme is offered to women who have majority ownership (more than 50%) in a small business. Entrepreneurs under this scheme can avail loans above two lakh at concessional rate of interest that is 0.05%

GROWTH AND PERFORMANCE OF MSME SECTOR IN INDIAN ECONOMY

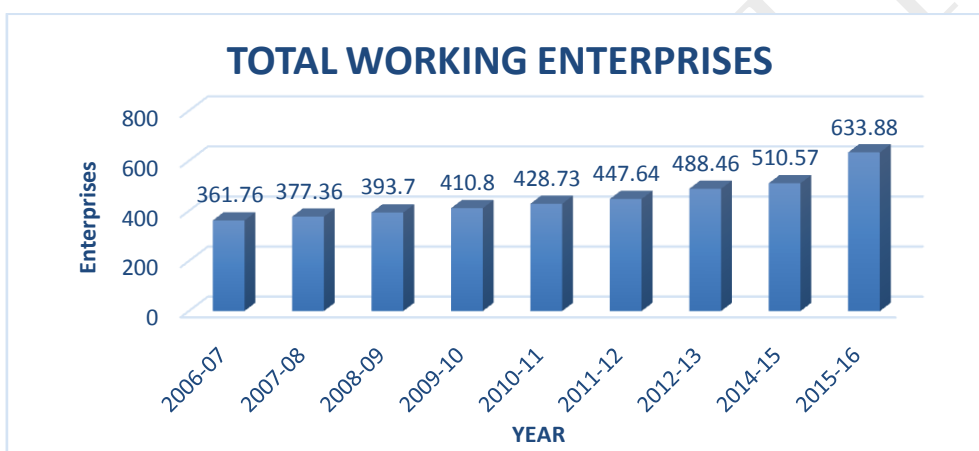
Table 1- Growth of MSME

Parameter	NSS 73rd Round*, 2015-16	Fourth All India Census of MSMEs, 2006-07	Annual Compound Growth Rate (%)
No. of MSMEs (Total)	633.88	361.76	6.43
Manufacturing	196.65	115.00	6.14
Services	437.23	246.76	6.56
Employment (Total)	1109.89	805.24	3.63
Manufacturing	360.42	320.03	1.33
Services	749.47	485.21	4.95

*Source 4th All India MSME Census (2006-07) and NSS 73rd Round (2015-2016)

*Services include Trade, Electricity & other services

The table provided above clearly shows that the number of MSME in NSS 73rd round is more than double of the enterprises which are calculated in 4th all India MSME census 2006-07. There is an increasing trend of MSME establishments. Which further shown with the help of bar diagram.



*Source- Annual Report of MSME (2016-17)

Figure 1

The above diagram shows the trend of MSME sector enterprises. It shows that every year there is addition of some enterprises in this sector. It is one of the growing sector of India economy. AS there is almost 75% increase in number of enterprises in 2015-16 as compared to enterprise in 2006-07. Government of India also in addition to some more institutions introduce schemes in order to promote entrepreneurship.

DISTRIBUTION OF ENTERPRISE AMONG FEMALE ENTREPRENEURS

Table 2

Sr. No.	Characteristics	Registered Sector	Unregistered Sector	Economic Census-2005	Total
1	Size of sector (in Lakh)	15.42	198.74	147.38	361.76
2	No. of rural units (in Lakh)	7.07	119.68	73.43	200.18
3	No. of women enterprises (in Lakh)	2.15	18.06	6.40	26.61
4	Total Employment (in Lakh)	93.09	408.84	303.31	805.24
5	Per unit employment	5.95	2.06	2.06	2.23
6	Total original value of Plant	10502461	9463960	-	19966421

	& Machinery (Rs. In Lakh)				
7	Per unit original value of Plant & Machinery (in Lakh)	6.72	0.48	-	-
8	Total Fixed Investment (in Lakh)	44913840	24081646	-	68995486
9	Per unit fixed investment (in Lakh)	28.72	36970259	-	-
10	Total Gross output (Rs in Lakh)	70751027	36970259	-	1077212286

* Summary: Fourth All India Census of MSME

The fourth all India census of MSME was conducted with reference to year 2006-07, wherein the data is collected till 2009 and results published in 2011-12. Share of women in census 2006-07 showed by yellow colored row in the above table. The data shows the share of women in entrepreneurship in registered and unregistered sector separately. It shows that overall there was 26.61 lakh enterprises were owned by women.

Table 4

Ownership	Number of Establishments (in Lakhs)	Number of Workers (in Lakhs)
Male	504.75	844.68
Female	129.12	264.92
Total	633.88	1109.89

*Source NSS 73rd Report (2015-16)

As per NSS report of 2015-16 shows, 129.12 lakh enterprise of Indian MSME sector were owned by females and 504.75 lakh were owned by male. The percentage share of women entrepreneur in year 2015-16 was 20.36% of total establishments however, in year 2006-07 women owned enterprise were 7.35% of total establishments. It is a good indication for this sector. In total there is increase of 102.51 lakh women establishments if difference is made between establishments of year 2006-07 and of year 2015-16. The data clearly signifies that women entrepreneurship in country has been on a rising graph and women entrepreneurship is not an obscure concept any longer. They are realizing their own potential and are coming forward and rising in the entrepreneurship world.

CONCLUSION

Ministry of Micro, Small and Medium Enterprises (MSME) is empowering women entrepreneur through its different schemes and policies, and entrepreneurship is now becoming more open to women who were traditionally kept behind the four walls of their home. Though they face many problem and challenges in their path of becoming a successful entrepreneur but these problems pose a challenge for government and the authority to tackle with the right approach in order to solve the same. The office of DC (MSME) has also opened a Women Cell to provide coordination and assistance to women entrepreneur facing specific problems. Women entrepreneur have achieved a remarkable success as there is increase of 102.51 lakh establishment between a period ranging from (2006-07) to year (2015-16). This all depicts that more and more women are rising towards entrepreneurship world.

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