

## EMPOWERMENT OF WOMEN THROUGH ENTREPRENEURSHIP AND MSMEs

<b>Ms. Niharika</b>	<i>Research Scholar, University department of Commerce and Management, Vinoba Bhave University, Hazaribag, Jharkhand</i>
<b>Prof. M. K. Singh</b>	<i>Director, Department of Management Studies, Vinoba Bhave University, Hazaribag, Jharkhand</i>

### ABSTRACT

Article DOI URL: <https://doi.org/10.36713/epra2658>

Women constitute 50% of the total population. In traditional Indian societies, they were confined to four walls but in the modern society, they come out of four walls to participate in all types of activities, including entrepreneurship. Women entrepreneurship plays a prime role in industrial development. In India empowering women through entrepreneurship has become an integral part of our development efforts because of three important reasons; i) Women development, ii) Economic growth and iii) Social stability through gender equality. The idea and practice of Women entrepreneurship is a recent phenomenon. There is growing evidence all over the world that MSMEs play a significant role in economic growth, productivity, innovation and employment of the country. Today, the village and MSMEs units account for about 45% of the total industrial production and 30% of the country's exports. MSMEs do not only constitute of enterprises but they are strongly influenced by people, and most of all by the entrepreneurs behind them. There are different kinds of entrepreneurs which may be classified on the basis of business characteristics, education, motivation etc. One of the most expanding categories is that of Women Owned Enterprises (WOEs). WOE's now account for a growing share of all new enterprises. Women should create their own jobs and become entrepreneurs since opportunities of getting employment in either government, non-government or a private organization is almost declining. This article shows the present scenario of Women Owned SMEs in India and the support they acquire from Government and other institutes.

**KEYWORDS:** *Women Empowerment, Entrepreneurship, MSMEs, Economic Development, Government*

### INTRODUCTION

Women in India constitute around half of the country's population. They are regarded as the "better half of the society". It is fact that, 'when there is development of women, family develops, the society develops and the country develops'. Empowering women has proven time and again to be the catalyst for rapid socio economic growth of the country. According to previous studies women entrepreneurship is an important tool for empowering women. The word empower means to bestow power. Empowerment of Women through entrepreneurship involves access to resources and markets, actual ownership and active control, these may be the three important factors for the empowering women. In the process of empowerment, women should consider their strength, weakness, opportunities and threats and move forward to unfold their own potential to achieve their goals through self-development.

In the words of Former President APJ Abdul Kalam "empowering women is a prerequisite for creating a good nation, when women are empowered, society with stability is assured. Empowerment of women is essential as their thoughts and their value systems lead to the development of a good family, good society and ultimately a good nation."

Women entrepreneurship is the process where women take, lead and organize a business or industry and provide employment opportunities to other. Women are venturing in all kind of enterprises. Women entrepreneurs are considered to be the most important economic agents for economic augmentation of the country. They are the owners, producers, co-coordinators, sellers decision makers, risk takers, innovators etc. They also generate employment opportunities and contribute in improving family's living standard.

MSMEs provide an effective tool for economic growth through participation in global supply chains. In developing

countries like India, micro, small and medium enterprises (MSMEs) have a crucial role to play because of their potential contributions to employment creation, improvement of income distribution, poverty reduction, export growth of manufactured products, and development of rural economy. MSMEs are also considered as an important place for women, who are actively involved in economic activities.

### OBJECTIVES OF THE STUDY

- i) To study the concept of women empowerment through entrepreneurship.
- ii) To analyze the present scenario of Women owned SMEs in India.
- iii) To examine schemes and initiatives taken by the Government for Women Owned SMEs.

### HYPOTHESIS

- i) Women Empowerment has raised the standard of living of women.
- ii) Women Entrepreneurship has increased the earning capacity of women.

### METHODOLOGY

The paper is descriptive in nature. The data collected in the paper is mainly from secondary sources like research papers, books, articles, Annual reports of Government, MSME Census Report and Economic Surveys.

#### Concept of Women as an Entrepreneur

Women Entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. Women are expected to innovate, imitate or adopt an economic activity to be called women entrepreneurs. The term "Women Entrepreneur" deals with the section of the female population who venture out into industrial activities i.e. manufacturing, assembling, job workers, repairs/servicing and other businesses.

According to the Government of India, a woman entrepreneur is defined as, "an enterprise owned and controlled by a woman and having a minimum financial interest of 51 percent of the employment generated in the enterprises to women".

Currently, the women's enterprise is defined as a small scale industrial unit/industry related service or a business enterprise managed by one or more women entrepreneurs in proprietary concerns in which she/they individually or jointly have a share of capital of not less than 51 percent as partners/shareholders/directors of private limited companies/members of cooperative societies.

Women Entrepreneur's explore the prospects of starting the new enterprise; undertake risks, introduction of new innovations, coordinate administration and control of business and providing effective leadership in all aspects of business and have proved their footage in the male dominated business arena.

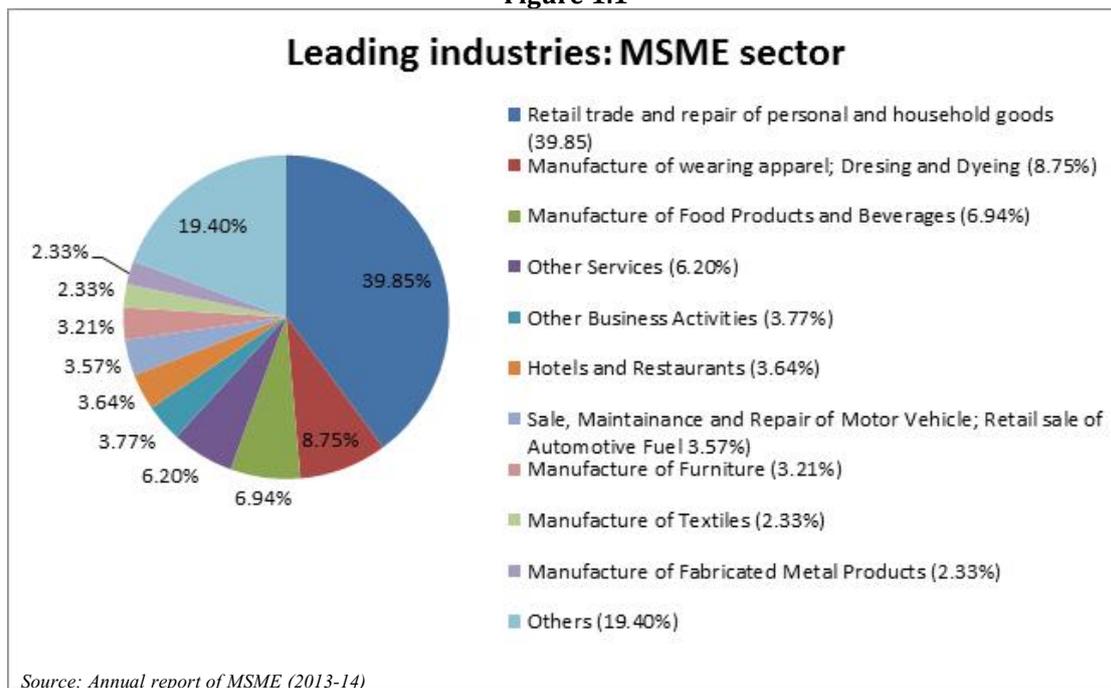
### WOMEN AND MSMEs DEVELOPMENT IN INDIA

The President under Notification dated 9<sup>th</sup> May 2007 has amended the Government of India (Allocation of Business) Rules, 1961. Pursuant to this amendment, Ministry of Agro and Rural Industries (KrishiEvamGraminUdyogMantralaya) and Ministry of Small Scale Industries (LaghuUdyogMantralaya) have been merged into a single Ministry, namely, "MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SUKSHMA LAGHU AUR MADHYAM UDYAM MANTRALAYA)".

In India, the MSMEs play a vital role in the overall industrial economy of the country. In recent years the MSMEs sector has consistently registered higher growth rate compared to the overall industrial sector. With its agility and Dynamism, the sector has shown admirable innovativeness and adaptability to survive the recent economic downturn and recession.

Figure 1.1 depicts that, there are over 6000 products ranging from traditional to high tech items, which are being manufactured by the MSME sector besides providing wide range of services. The leading industries with their respective shares are as depicted below:

Figure 1.1



In Present Scenario Women are flourishing as Designers, Interior Decorators, Exporters, Publishers, Garment manufacturers and still exploring new avenues of economic participation. Today's women are taking more and more professional and technical degrees to cope up with market need. It is perhaps for these reasons that Government bodies, NGO's, Researchers and International Agencies have started showing interest in the issues related to entrepreneurship among women in India.

As per the Fourth All India Census of MSME reveals that the total number of registered enterprises was 15.53 lakhs out of which 2.15 lakhs units were registered as women

enterprise. It was found that 13.85 percent (205419) of the units in the registered MSME sector were women enterprises, whereas share of enterprises actually managed by female was 10.10%. There are 6.95% of the units in the unregistered MSMEs are women enterprises.

The CSO Survey of Manufacturing Enterprises (1994-95) showed that out of a total of 2.14 million proprietary units owned by women entrepreneurs 1.65 million (76% of units) and (24% of units) were located in rural and urban areas respectively. The Survey also pointed out that the women entrepreneurs have been undertaking activities in almost all industry groups and units like food products, garments, cotton textiles and wood products.

Table 1.1

Particulars	
Total Enterprises (Lakhs)	15.53
Women Enterprise (Lakhs)	2.15
Percentage share of women (%)	13.72

Source: Fourth Census Report on SSI Sector, 2007-08 p.20

Area wise distribution of female enterprises

There is male dominance in ownership of MSMEs. However, Female Enterprises contribute 13.72 percent in the MSME Sector. The table below shows the percentage of

female enterprises in SMEs in India. It is evident from the table that the Percentage of Rural female SMEs (15.27%) is more than the urban areas (12.45%).

Table 1.2

Particulars	Female	Male
Rural	15.27	84.73
Urban	12.45	87.55
All	13.72	86.28

Source: MSMEs Census Report Fourth (2007-08)

Sector wise distribution of female enterprises

Table 1.3 depicts the sector wise distribution of female Enterprises in Micro, small and medium scale Enterprises. Micro Enterprises are the major contributor in case of female enterprises which account for 14.91%. Whereas, in case of

Medium Enterprises it account for 4.21% where as small enterprises contribute to 5.06%. The overall contribution is 13.72% by female enterprises as against 86.28% by Male Enterprises.

Table 1.3

Particulars	Female	Male
Micro	14.19	85.81
Small	5.06	94.94
Medium	4.21	95.79
All	13.72	86.28

Source: MSMEs Census Report Fourth (2007-08)

## GOVERNMENT SCHEMES AND INITIATIVES FOR WOMEN ENTERPRISES

The Government of India has been taking several measures for the welfare, upliftment and empowerment of Women. There are several schemes of the Government like the Income Generating Scheme, implemented by the Department of Women and Child Development, which provides assistance for setting up training-cum-income generating activities for needy women to make them economically independent.

## TRADE RELATED ENTREPRENEURSHIP ASSISTANCE AND DEVELOPMENT (TREAD)

The Government launched a scheme, namely, "Trade Related Entrepreneurship Assistance and Development" (TREAD) during the 11<sup>th</sup> Plan. The scheme envisaged economic empowerment of women through the development of their entrepreneurial skills in non-farm activities. Further, the government grants up to Rs 1 lakh per program to training

institutions/ NGOs for imparting training to the women entrepreneurs. Under this scheme, proposals involving grant of Rs 51.65 lakh to 16 NGOs/ institutions, have been approved for benefiting to 1700 women.

## MICRO AND SMALL ENTERPRISES CLUSTER DEVELOPMENT PROGRAM (MSE-CDP)

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.

## MAHILA COIR YOJANA

Mahila coir Yojana is a woman-oriented self-employment scheme in the coir industry, which provides self employment opportunities to the rural women artisans in

regions producing coir fiber. The scheme envisages distribution of motorized ratts for spinning coir yarns to women artisans after giving training. Women spinners are trained for 2 months in spinning coir yarn on motorized ratt at the Coir Board Training Centers. A stipend of Rs 500 per month is also paid to the trainees.

### **RURAL EMPLOYMENT GENERATION PROGRAM**

Rural Employment Generation programme (REGP) is a flagship scheme of the Government for employment generation programmes in the unorganized sector. Under this programme, 3,656 projects of women entrepreneurs involving margin money of Rs 6397.99 lakh have been assisted as government grant during 2007-08 up to December 2007.

The Micro, Small and Medium Enterprises Development Organizations (MSME-DO), the various State Small Industries Development Corporations (SSIDCs), the nationalized banks and even NGOs are conducting various programs including Entrepreneurship Development Programs (EDPs). Further, the Government of India has also started the programme of linking the Self-help groups- which is an informal group of people coming together for credit support, savings and other services. The SIDBI- Small Industries Development Bank of India has been implementing two special schemes for women namely MahilaUdyamNidhi which is an exclusive scheme for providing equity to women entrepreneurs and the MahilaVikasNidhi which offers developmental assistance for pursuit of income generating activities to women.

### **CONCLUSION**

Women entrepreneurship has played a very vital role in fulfilling the Socio-economic objectives of the nation. 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. Thus, MSME is playing a remarkable role in widening the base of industrial entrepreneurship in India. The contribution of the women entrepreneurs with the help of MSME to our national economy cannot be underscored. Thus, technically sound and professionally qualified women should be encouraged for managing their own business, rather than dependent on wage employment outlets.

### **REFERENCES**

1. Annual Report, (2013-2014), Ministry of MSME, Government of India.
2. Hazarika Dhruba, (2011), Women Empowerment in India: A brief discussion; International Journal of Educational Planning and Administration, ISSN 2249-3093, Vol 1, Number 3.
3. Fourth Census Report on SSI Sector. 2007-08 pp.20.
4. Trivedi M.P and Gaur Ashok, Jan 2015, Role of Women Entrepreneurs in Micro, Small and Medium Enterprises (MSMEs); Pacific Business Review, Vol 7.
5. MSME Census Report Fourth, Ministry of MSME, Government of India.
6. Khan Nasreen and Bhatt Adil, March 2014, Role of Women in Micro, Small and Medium Enterprises; International Journal, Vol 1, Issue 1, March 2014.
7. Kumar Surendra; Success towards Women Entrepreneurship in India- Issues and Challenges; Eduved International Journal of Interdisciplinary Research, ISSN 2348-6775 (Online).