



ROLE OF GOVERNMENT IN NURTURING WOMEN ENTREPRENEURSHIP IN INDIA

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ABSTRACT

Entrepreneurs play key role in the economic development of the country. Entrepreneurs are those who have skills as well as the initiative which is necessary to bring new ideas to market and to take the right decisions at right time to make the business profitable. A “women entrepreneur” is any women who organizes and manages her business with risk and initiative. In recent days, due to rapid growth of industrialization and globalization, the status of women in India has been changing continuously. Now, women have shifted from kitchen to higher level of professional activities with the spread of education and increasing awareness. It has been observed that Entrepreneurship has been as male-dominated phenomenon from the very early age, but now the time has been changed, where women play a major role to promote the business. Now, the women putting their steps at par with the men in the almost all fields. The role of Women entrepreneur is inevitable. Now-a-days, women have entered not only in the selected professions such as lawyers, doctors and teachers but play a pivotal role in professions like trade, industry and engineering. The Present paper attempts to study what are the major reasons for the slow growth of women entrepreneurs in India and what are the obstacles which are faced by women entrepreneurs in India. The main purpose of this paper is to analyze the role and policies of Indian Government in nurturing the women entrepreneurship. This paper also emphasizes on the growth of women entrepreneurship in India.

KEYWORDS: Women Entrepreneurs, Role in India, Government Policies.

WOMEN ENTREPRENEURSHIP: OVERTURE

A women entrepreneur is an adult who owns and runs an enterprise, especially a commercial one, and women entrepreneur also bears more financial risk. The ILO defined women's enterprise as 'a small unit where one or more women entrepreneurs have not less than 50 per cent financial holdings. The Government of India has described women entrepreneurs as an enterprise/venture owned and controlled by women having at least financial interest of 51% of the capital and giving at least 51% of the employment generated in the organization to women. Entrepreneurship plays crucial role of economic development of both developed and developing countries. Every country tries to achieve economic development with the better life standard of its people. There are three dimensions of Development i.e. economic, political and social dimensions and is incomplete without the development of women who constitute about 50 per cent of the total population.

Now days, the concept of women entrepreneurship is playing a crucial role in the business community. As we know, Women have entered very late into business scenario, especially in developing countries like India due to various socio-cultural environmental factors, but still women entrepreneurs have become successful in various economic activities. Global economy is changed at present because of the participation of the women entrepreneurs. Women entrepreneurs are active at all levels whether it is global or domestic. Women entrepreneurs consist of only one third of all entrepreneurs. Women entrepreneurs are playing very important role in socio-economic development of all countries. One of the foremost motivating factors that is their decision making and risk bearing ability which helps them to become successful. Under the influence of the factors, the women entrepreneurs choose a profession as a challenge and as an urge to do something new. The hidden capabilities of women have been increasing with to the role and economic status in the society.

Women have come forward into the business ventures due to their knowledge and skills. Though there are various qualities which are present in women entrepreneurs, but one of the major quality is their strong desire to achieve something due to which they have become so competent of contribute in both family and social life. While establishing the business, women entrepreneurs often face various obstacles such as discriminatory practices, inheritance laws, shortage of finance, and access to information, lack of information about marketing activities etc. Women's entrepreneurs are putting strong efforts for the well-being of the family, for poverty reduction and women's empowerment. Therefore, the governments across the world as well as various other organizations and institutes are coming forward to assist and to promote the women entrepreneurs through various schemes, incentives and promotional measures.

Over the past few decades, women are coming out the boundaries of houses. Today, the role of women is not confined to the traditional role of a mother or a housewife. The role of modern women is much wider than, what it was previously. Now, a woman plays multiple roles simultaneously.

LITERATURE REVIEW

Sakshi Dasgupta (2003) in her study, “Women organizing for Socio Economic Security” found that organized women workers of SEWA are better off than their non-organized counter parts in areas of access to credit, training as well as access to loan for housing and health insurance, where as women in formal economy is characterized by poor working condition, credit problems, lack of legal protection and concluded that organized women workers could beneficial impact on their work and life.

Rasheeda Bhagat (2004) in her work “India Interior” has expressed that there has been a change in the attitude of men towards women’s groups and micro finance. She also stated that in the last 10 years, the banker’s attitude has changed substantially and there is remarkable difference in the way they look at these women’s groups. This is the major success of this programme.

Monika Tushir, Sumita and Pankaj (2007) have stated in articles that micro credit is emerging as a powerful instrument for poverty alleviation in the new economy. It is a powerful instrument and has improved access to rural poor. The SHG- Bank Linkage program had offered greater opportunities for closer interaction between bank and group members. There is significant improvement in the recent years and the concept has picked up with the constant support of the State Government and NGO’s.

Singh 2008 identifies the reasons and influencing factors behind entry of women in entrepreneurship. He explained the characteristics of their businesses in Indian context and also obstacles and challenges. He mentioned the obstacles in the growth of women entrepreneurship are mainly lack of interaction with successful entrepreneurs, social un-acceptance as women entrepreneurs, family responsibility, gender discrimination, low priority given by the bankers to provide not well to women entrepreneurs. He suggested the remedial measures like promoting micro enterprises, unlocking institutional framework. The study advocate for ensuring synergy among women related ministry, economic ministry & Social & welfare development ministry of the Government of India.

Lall, Madhurikma and Sahai Shikha (2008): identified psychographic variables like degree of commitment, entrepreneurial challenges and future plan for expansion based on demographic variables. The study suggested that though there has been considerable growth in number if

women opting to work in family owned business but they still have lower status and face more operational challenges in running business.

Tabuman (2009): made a study on recent developments of women entrepreneurs in Asian developing countries. The study focused mainly on women entrepreneurs in small and medium enterprises based on data analysis and review of recent key literature. The study also depicted the fact that representation of women entrepreneurs in this region is relatively low due to factors like low level of education, lack of capita and cultural or religious constraints.

Coohen, Wadhwa and Mitchell (2010) presented a detailed exploration of men and women entrepreneur's motivations, background and experiences. This study identified top five financial and physiological factors motivating women to become entrepreneurs. The study concluded that women are very much concerned about protecting intellectual capital than their counterpart.

OBJECTIVES OF THE STUDY

1. To study the role of Government in nurturing women entrepreneurship in India.
2. To critically examine the obstacles faced by women entrepreneurs in India.
3. To estimate the number of females employed in SSI sector.
4. To study the growth and development of women entrepreneurship in India.
5. To find out the reasons for slow progress of women Entrepreneurship in India.

OBSTACLES IN THE PATH OF WOMEN ENTREPRENEURS IN INDIA

1. ACCESS TO FINANCE

Women entrepreneurs face the various problems such as obtaining the support from the bank, managing the working capital, lack of credit resources etc. According to a Report of United Industrial Development Organization (UNIDO) "despite evidence that women's loan repayments are higher than men's, women still face more difficulties in obtaining credit. This is one of the major hindrances faced by women entrepreneurs. It was also found that, even educated modern women entrepreneurs in the advanced economies face difficulties in obtaining loan and credit requirements. It is find out that although the procedure to obtain loans has been simplified but it still remains a challenge for women.

2. LACK OF PROFESSIONAL EDUCATION

In our country, the basic reasons of the low rate of women entrepreneurship are poverty and lack of education. The professional skills also influence participation of women in the field of business enterprise. Education is provided to them but they don't provided professional education. There is few numbers of women students in professional skills. According to analysis of rural-urban ratio of enrolled women in professional education, it has been find out that there are very few female students enrolled in this type of education. Even parents are not ready to send their daughters for

professional education to far flung areas. This is the great hindrance in the path of development of women entrepreneurship in India.

3. MARKETING PROBLEMS

It is difficult for women entrepreneurship to capture a large market share because of increasingly competition. Access to market is equally important as access to finance. It is necessary to conduct a market survey before launching the products in the market at the large scale, but women entrepreneur faces the faces the problem of marketing their products and unable to gather the information regarding the responses of the customers for the products. Once the product is launched in the market then access to market poses a very big challenge in some cases. Sometimes, it is easy to access the finance but it becomes more difficult for the women entrepreneur to access the finance. So women entrepreneurs find it very difficult to capture the market and make their products popular.

4. ABSENCE OF BALANCE BETWEEN FAMILY AND CAREER OBLIGATIONS

One of the major problems is that women have obligations towards their families so they become unable to focus their attention towards their own career. They devote their most of the time to take care of their family members. Thus, they are less concerned with self development. Many women have entrepreneurial capabilities but they are not able to use their capabilities to create additional income sources for their families, which would go hand in hand for boosting their self-reliance. Sometimes they are not aware of the concept of self-reliance.

5. NEGLIGENCE BY FINANCIAL INSTITUTIONS

Banks and Financial institutions play a major role to provide finance to entrepreneurs in developing countries. But on the other side, these banks and financial institutions are not ready to provide credit to women entrepreneurs because of their traditional mind set. They think that if they provide credit to the women entrepreneurs, this may become cause of non performing asset in future.

6. LACK OF INFORMATION

Women entrepreneurs have less knowledge about availability of raw materials, financial facilities provided by the banks and financial institutions, government assistance and various kinds of subsidies available. In fact, some of the women entrepreneurs don't have any updated information of developments in information technology. Lack of advanced knowledge hinders the expansion of their markets.

7. LACK OF SELF CONFIDENCE

Women lack self confidence and they even hesitate to take risks in market. Since she has to play dual role, she has to strive hard to strike a balance between her dual roles. Many times, she has to

sacrifice her entrepreneurial urge in order to strike balance between family obligations and career obligations.

ROLE OF THE GOVERNMENT IN NURTURING WOMEN ENTREPRENEURSHIP IN INDIA

1. TRADE RELATED ENTREPRENEURSHIP ASSISTANCE AND DEVELOPMENT SCHEME FOR WOMEN

During the 11th plan, Government of India launched a scheme i.e TREAD with the objective of encouraging women to start their own ventures the scheme emphasized on the economic empowerment of women through the development of their entrepreneurial skills. Government of India has grant up to 30% of the total project cost to the Non-Government Organizations (NGOs) for promoting entrepreneurship among women. The rest of the 70% of the total project cost is financed by the lending agency. Up to Rs. 1 lakh per program is granted by government of India to training institutes/NGOs so as to provide training to the women entrepreneurs.

2. MICRO & SMALL ENTERPRISES CLUSTER DEVELOPMENT PROGRAM (MSE-CDP)

Cluster is described as a group of enterprises, where 20 or more producing similar goods/services. The main objective of this programme was to identify the suitable technologies and to facilitate the entrepreneurs for adoption of suitable technology meeting the specific needs of the end users. Its other objectives include improve competitiveness, technology improvement, adoption of best manufacturing practices, employment generation. This scheme also provides support for capacity building, common facilities, marketing etc.

3. CREDIT GUARANTEE FUND SCHEME

The Government introduced this scheme in May, 2000. This scheme was introduced for small enterprises. Its main objective is to provide credit to SSI units, particularly small units, for loans up to Rs 25 lakhs. This 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 guarantee cover is up to 80% of the credit subject to maximum guarantee limit of Rs. 20 lakhs, in case of women enterprises.

4. SCHEME FOR WOMEN ENTREPRENEUR TO ENCOURAGE SMALL & MICRO MANUFACTURING UNITS

MSME has formulated a scheme for women entrepreneurs to support Small & Micro Manufacturing units owned by women in their efforts to develop overseas markets, to enhance export from such units, to enhance participation of representatives of micro enterprises at International Trade fairs/ exhibitions.

For the year 2007-08, a good number of outstanding women entrepreneur associations have been requested to sponsor their programs for participation in 5 international exhibitions scheduled

during the months of Jan-march 2008. These exhibitions were organized to give confidence to women entrepreneurs.

5. RURAL WOMEN'S DEVELOPMENT AND EMPOWERMENT PROJECT (RWDEP)

This centrally sponsored scheme was launched in 1997 for a period of five years (1997-2002) with assistance from IDA and IFAD. The major objective if RWDEP is to strengthen the processes for creating an enabling environment for empowerment of women through-

- (i) Establishment between 7400 and 1200 self-reliant women's SHG having 15-20 members each, which will improve the quality of their lives.
- (ii) Developing linkages between SHGs and lending institutions to ensure women's success.
- (iii) Continued access to credit facilities for income generation activities.
- (iv) Enhancing women's access to resources for better quality of life.
- (v) Increased control poor women, over income and spending, through their involvement in income generation activities which will indirectly help in poverty alleviation.

6. INDIRA MAHILA YOJNA (IMY)

Indira Mahila Yojna (IMY), launched in 1995, aims to empower of women through

- (i) Generating awareness amongst women by disseminating information and knowledge to bring about an attitudinal change.
- (ii) To help women achieve economic strength through micro-level income generating activities.
- (iii) To establish convergence of various services such as literacy, health, non formal education, rural development, water supply, entrepreneurship etc.

7. SOCIO –ECONOMIC PROGRAMME

The Socio-Economic Programme being implemented by the central Social Welfare Board aims to extend opportunities for women on the principles of "work and wage" and "Earn while you learn". The same is being implemented through voluntary organizations for whom financial assistance is given to take up wide variety of income generating activities like handlooms, handicrafts, sericulture's, husbandry etc.

At present, the Government of India has over 27 schemes for women entrepreneurship.

- ✓ Entrepreneurial Development Programme
- ✓ Khadi and Village Industries Commission (KVIC)
- ✓ Management Development Programmes
- ✓ Marketing of Non-Farm Products of Rural Women (MAHIMA)
- ✓ Mahila Vikas Nidhi
- ✓ National Banks for Agriculture and Rural Development's Schemes

- ✓ Rashtriya Mahila Kosh
- ✓ SIDBI's Mahila Udyam Nidhia
- ✓ Prime Minister Rojgar Yojna
- ✓ Training of Rural Youth for Self-Employment (TRYSEM)

EMPLOYMENT OF FEMALES IN SSI SECTOR

	Name of State/UT	No. of Female employees		
		Regd. SSI Sector	Unregd. SSI Sector	Total
1.	Jammu & Kashmir	3313	8153	11466
2.	Himachal Pradesh	4016	4134	8150
3.	Punjab	11757	36013	47770
4.	Chandigarh	659	1975	2634
5.	Uttranchal	2940	13240	16180
6.	Haryana	15651	14889	30540
7.	Delhi	6306	35798	42104
8.	Rajasthan	15003	46065	61068
9.	Uttar Pradesh	23506	180918	204424
10.	Bihar	8353	68908	77261
11.	Sikkim	212	9	221
12.	Arunachal Pradesh	342	104	446
13.	Nagaland	637	2574	3211
14.	Manipur	3853	1948	23338
15.	Mizoram	2188	4636	6824
16.	Tripura	4294	3325	7619
17.	Meghalaya	3139	5664	8803
18.	Assam	9077	16988	26065
19.	West Bengal	26549	304969	331518
20.	Jharkhand	5105	8907	14012
21.	Orissa	11723	213123	224846
22.	Chhattisgarh	10177	52476	62653
23.	Madhya Pradesh	29612	111703	141315
24.	Gujarat	41189	79990	121179
25.	Daman & Diu	6016	126	6232
26.	Maharashtra	78731	162700	241431
27.	Andhra Pradesh	60693	270026	330719
28.	Karnataka	117934	223142	341076
29.	Goa	5309	1833	7142
30.	Lakshadweep	26	405	431
31.	Kerala	189640	224491	414131
32.	Tamil Nadu	270936	223050	493986
33.	Pondicherry	5613	2670	8283
34.	Andaman & Nicobar	124	294	418
	All India	974713	2342783	3317496

Source: Report of Micro, Small & Medium Enterprises

The proportion of the female employees in the total employment in the SSI sector was of the order of 13.31%. In the states of Mizoram, Karnataka, Goa, Orissa, Kerala, Tamilnadu and Pondicherry, the share of women employment is significantly higher than 20% compared to the total employment in the respective states.

GROWTH OF WOMEN ENTREPRENEURSHIP IN INDIA

In advanced countries like U.S.A, there has been a substantial increase in the employment of women but the last decade has seen the number of self employed women increase by 69 per cent of women compared to 13 percent increase in the number of self employed men.

The need of the present day in our country is to promote development in such a way that the first and foremost priority is given to women's skill development and education. Women have plunged into the field of small enterprises as entrepreneurs. During the last two decades, India has been successful to a great degree in fostering the growth of small industries, through a package of support measures at various levels.

NUMBER OF WOMEN ENTREPRENEURS REGISTERED IN INDIA

Women Entrepreneurship States	No. of Units Registered	Rank	No of Women Entrepreneurs	Percentage
Tamil Nadu	9,618	1	2,930	30.36
Uttar Pradesh	7,980	2	3,180	39.84
Kerala	5,487	3	2,135	38.91
Punjab	4,791	4	1,618	33.71
Maharashtra	4,339	5	1,394	32.12
Gujarat	3,872	6	1,538	39.72
Karnatka	3,882	7	1,026	26.84
Madhya Pradesh	2,967	8	842	28.38
Other States and UTs	14,576	9	4,185	28.71
Total	57,452		18,848	32.82

Source: Report of MSMEs, 12th Five Year Plan, 2012- 2017.

This table discloses that Tamil Nadu stands first out of the total number of units registered in India. Regarding the number of women entrepreneurs in India, first place goes to Uttar Pradesh followed by Tamil Nadu which holds the second place.

Several Institutional arrangements have been made to protect and develop women entrepreneurship in India. State industrial Development Corporations and District Industries Centers give loans, subsidies and grants to small-scale women entrepreneurs. The Federation of Indian Chambers of Commerce and Industry (FICCI), National Alliance of Young Entrepreneurs (NAYE) and other voluntary agencies lend assistance to women entrepreneurs.

In addition, various government agencies are involved in the development, promotion, monitoring and expansion of women entrepreneurship programmes. Some of them are: Entrepreneurial Development Institute (EDI), National Small Industries Corporation Limited (NSIC), Small Industries Development organization (SIDO), District Industries Centre (DIC), Women Development Project (WDP), National Institute for Entrepreneurship and Small Business Development (NIESBUD).

SOME CASES OF SUCCESSFUL INDIAN WOMEN ENTREPRENEURS

INDRA NOOYI

CFO, Pepsico Indra Nooyi, is the current chairman and CFO of the second largest food and beverage business, Pepsico, born in Chennai. She has also conferred with prestigious Padma Bhushan for her business achievements and being an inspiration to India's corporate leadership.

VIDYA MANOHAR CHHAVRIA

Chairman of Jumbo Group. The wife of a late Manohar Rajaram Chhabria is now leading Jumbo Group, a Dubai based Dollar 1.5 billion business conglomerate. She was ranked 38th most powerful women by the Fortune Magazine in 2003.

NEELAM DHAWAN

Managing Director, Microsoft India. She is well known in IT Industry of India. Before joining Microsoft, she worked in almost all the top IT companies.

EKTA KAPOOR

Popularly known as "Soap Queen", Creative Director of Bala ji Telefilms is credited for bringing about a revolution in the Indian Small Screen industry.

SHAHNAZ HUSSAIN

Shahnaz Husaain is the biggest name in herbal cosmetics industry in India. She has introduced a number of trend setting herbal products. She got recognition from Government of India when she was conferred with prestigious Padma Shri award in 2006.

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