

STATUS OF WOMEN ENTREPRENEURS IN INDIA

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ABSTRACT

Women entrepreneurship is gaining importance in India in the wake of economic liberalization and globalization. The policy and institutional framework for developing entrepreneurial skills, providing vocation education and training has widened the horizon for economic empowerment of women. However, women constitute only one third of the economic enterprises. There exist a plethora of successful business women entrepreneurs both in social and economic fields in India. They are performing well. Government of India has also introduced National Skill Development Policy and National Skill Development Mission in order to provide skill training, vocational education and entrepreneurship development to the emerging work force. However, entrepreneurship development and skill training is not the only responsibility of Government and therefore other stakeholders need to shoulder the responsibility. In Hindu scriptures, woman has been described as the embodiment of Shakti. But in real life she is treated as Abla. Women are leaving the workforce in droves in favor of being at home. Not to be a homemaker, but as job-making entrepreneurs. The increasing presence of women in the business field as entrepreneurs has changed the demographic characteristics of business and economic growth of the country. Women-owned businesses enterprises are playing a more active role in society and the economy, inspiring academics to focus on this interesting phenomenon. This paper focuses on the problems, issues, challenges faced by women entrepreneurs and how to overcome them.

INTRODUCTION

Entrepreneurship refers to the act of setting up a new business or reviving existing business units so as to take advantages from new opportunities. Thus, entrepreneurs shape the economy by creating new wealth and new jobs and by inventing new products and services. However, an insight study reveals that it is not about making money, having the greatest ideas, knowing the best sales pitch, applying the best marketing strategy. It is in reality an attitude to create something new and an activity which creates value in the entire society. With increase in dependency on service sector, many entrepreneurial opportunities especially for women have been created where they can excel their skills with maintaining balance in their life. Accordingly, during the last two decades increasing numbers of Indian women have entered the field of entrepreneurship and also they are gradually changing the face of business of today both literally and figuratively. But still they have not capitalized their potential in India.

OBJECTIVES

1. To trace out the reasons for women becoming Entrepreneurs.
2. To identify the status of women entrepreneurs in India.
3. To assess the challenges faced by women entrepreneurs for doing their business.

4. To study the role of Government and Financial Institutions for the betterment of women entrepreneurs through Self Help Groups.
5. To offer suitable suggestions for the promotion of women entrepreneurs.

METHODOLOGY

This study is based on descriptive type. The data were collected from secondary sources only with the help of text books, journals, internet and annual report from government and financial institutions.

REASONS FOR WOMEN BECOMING ENTREPRENEURS

Women are found indulged in every line of business. The entry of women into business in India is traced out as an extension of their kitchen activities mainly 3P's like Pickle, Powder and Pappad. But with the spread of education and passage of time women started shifting from 3P's to modern 3E's i.e., Energy, Electronics and Engineering. 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 challenges and opportunities provided to the women of digital era are growing rapidly that the job seekers are turning into job creators. But a new talent pool of women entrepreneurs is forming today, as more women opt to leave corporate world to chart their own destinies. They are flourishing as designers, interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation.

STATUS OF WOMEN ENTREPRENEURS IN INDIA

Entrepreneurship is considered as one of the most important factors contributing to the development of society. India has been ranked among the worst performing countries in the area of women entrepreneurship in gender-focused global entrepreneurship survey released in July 2013 by PC maker Dell and Washington based consulting firm Global Entrepreneurship and Development Institute (GEDI). Of the 17 countries surveyed India ranks 16th, just above Uganda. Status of higher education in women in India came out to be lower than most countries in the world.

At present, women's entrepreneurial role is limited in the large scale industries and technology based businesses. But even in small scale industries, the women's participation is very low. As per the third all-India census of Small Scale Industries only 10.11% of the micro and small enterprises were owned by women and only 9.46% of them were managed by women. While the number of women operating their own business is increasing globally, women continue to face huge obstacles that stunt the growth of their businesses, such as lack of capital, strict social constraints and limited time and skill.

TABLE1: WOMEN ENTREPRENEURS IN INDIA

<i>States</i>	<i>No of Units Registered</i>	<i>No. of Women Entrepreneurs</i>	<i>Percentage</i>
Tamil Nadu	9,618	2,930	30.36
Uttar Pradesh	7,980	3,180	39.84
Kerala	5,487	2,135	38.91
Punjab	4,791	1,618	33.77
Maharashtra	4,339	1,394	32.12
Gujarat	3,872	1,538	39.72
Karnataka	3,822	1,026	26.84
Madhya Pradesh	2,967	842	28.38
Other States and UTs	1,4576	4,185	28.71
Total	57,452	18,848	32.82

Source: MSME Report.

CHALLENGES FACED BY WOMEN ENTREPRENEURS

- a. Conflicts between Work and Domestic Commitments: Women's family obligations also bar them from becoming successful entrepreneurs in both developed and developing nations. "Having primary responsibility for children, home and older dependent family members, few women can devote all their time and energies to their business".
- b. Gender gaps in education: While women are making major strides in Educational attainment at primary and secondary levels, they often lack the Combination of education, vocational and technical skills and work experience needed to support the development of highly productive businesses.
- c. Lack of finance: Access to finance is one of the most common challenges that entrepreneurs face and this is especially true for women who are further Women Entrepreneurship in India 1145 impeded by lack of personal identification, lack of property in their own name and the need for their husband's countersignature on many documents.
- d. Legal constraints in family law: The institutional and legal environment is critical to the growth of female-owned enterprises. Laws regulating the private sphere specifically those regarding marriage, inheritance and land can hinder women's access to assets that can be used as collateral when securing a loan.
- e. Heavy household responsibilities: Heavy household responsibilities leave a demand on women especially those in rural areas who have more children. They are required to perform their traditional role as housewives and therefore, they have fewer hours of free time than men, both during the weekend and on weekdays.
- f. Lack of family support: Sometimes the family may make the women feel guilty of neglecting household duties in her pursuit of business obligations. Cultural traditions may hold back a woman from venturing into her own business.
- g. Lack of capital: Traditional sources of finance like banks are reluctant to lend to women entrepreneurs especially if they do not have any male or middle class family. This is especially true of lower income females. Women do not have adequate finance or legal knowledge to start an enterprise.

- h. Lack of right public/ private institutions: Most public and private incentives are misused and do not reach the women unless she is backed by a man. Also many trade associations like ministries, chambers of commerce do not cater to women expecting women's organizations to do the necessary thing.

ROLE OF GOVERNMENT TO DEVELOP WOMEN ENTREPRENEURS IN INDIA

Development of women has been a policy objective of the government since independence. Until the 70s, concept of women's development was mainly welfare oriented. In 1970s, there was a shift from welfare approach to development approach that recognized the mutually reinforcing nature of the process of development. The 80s adopted a multi-disciplinary approach with an emphasis on three core areas of health, education and employment. Women were given priorities in all the sectors including SSI sector. Government and non government bodies have paid increasing attention to women's economic contribution through self employment and industrial ventures.

The First Five-Year Plan (1951-56) envisaged a number of welfare measures for women. Establishment of the Central Social Welfare Board, organization of Mahila Mandals and the Community Development Programmes were a few steps in this direction.

In the second Five-Year Plan (1956-61), the empowerment of women was closely linked with the overall approach of intensive agricultural development programmes.

The Third and Fourth Five-Year Plans (1961-66 and 1969-74) supported female education as a major welfare measure.

The Fifth Five-Year Plan (1974-79) emphasized training of women, who were in need of income and protection. This plan coincided with International Women's Decade and the submission of Report of the Committee on the Status of Women in India. In 1976, Women's welfare and Development Bureau was set up under the Ministry of Social Welfare.

The Sixth Five-Year Plan (1980-85) saw a definite shift from welfare to development. It recognized women's lack of access to resources as a critical factor impeding their growth.

The Seventh Five-Year Plan (1985-90) emphasized the need for gender equality and empowerment. For the first time, emphasis was placed upon qualitative aspects such as inculcation of confidence, generation of awareness with regards to rights and training in skills for better employment.

The Eighth Five-Year Plan (1992-97) focused on empowering women, especially at the Gross Roots Level, through Panchayati Raj Institutions.

The Ninth Five-Year Plan (1997-2002) adopted a strategy of Women's Component Plan, under which not less than 30 percent of funds/ benefits were earmarked for women related sectors.

The Tenth Five-Year Plan (2002-07) aims at empowering women through translating the recently adopted National Policy for Empowerment of Women (2001) into action and ensuring Survival, Protection and Development of women and children through rights based approach.

ROLE OF MICROFINANCE TO DEVELOP WOMEN ENTREPRENEURS IN INDIA

Although men as well as women face difficulties in establishing an additional enterprise, women have barriers to overcome. Among them are negative socio-cultural attitudes, legal barriers, practical external barriers, lack of

education and personal difficulties. In spite of this for women and especially for poor women, micro enterprise ownership has emerged as a strategy for economical survival. One of the most essential factors contributing to success in micro entrepreneurship is access to capital and financial services. For various reasons, women have had less access to these services than men.

In this context credit for microenterprise development has been a crucial issue over the past two decades. Research has shown that investing in women offers the most effective means to improve health, nutrition, hygiene, educational standards for families and consequently for the whole of society. Thus, a special support for women in both financial and non-financial services is necessary. Regarding limited-access to financial services, women depend largely on their own limited cash resources or in some cases, loans from extended family members for investment capital. Smaller amounts of investment capital effectively limit women to a narrow range of low-return activities which require minimal capital outlays, few tools and equipment and rely on farm produce or inexpensive raw materials.

In general, women need access to small loans (especially for working capital), innovative forms of collateral, frequent repayment schedules more appropriate to the cash flows of their enterprises, simpler application procedures and improved access to saving accounts.

Banking sector has been emerging in a big way to participate in the microfinance movement. At present many commercial banks are taking much interest in developing schemes exclusively for women. Various leading public sector banks have been providing finance under different schemes to the women entrepreneurs with a relief in interest rate on credit. Some of these schemes are listed below.

TABLE 2: SCHEMES OF PUBLIC SECTOR BANKS

Sl.No	Bank Name	Special Scheme Name
1	Bank of India	Priyadarshinin yojana
2	Canara Bank	CAN Mahila
3	Central Bank of India	Cent Kalyani
4	Dena Bank	Dena shakti
5	Oriental Bank of Commerce	Oriented Mahila Vikas Yojana
6	Punjab National Bank	Mahila Udyam Nidhi Scheme
7	State Bank of India	Stree Shakti Package
8	Punjab & Sind Bank	Udyogini Scheme
9	State bank of Mysore	Stree Shakti Package
10	Vijaya Bank	V Mangala
11	UCO Bank	Naroi Shakti
12	ICICI Bank	Women's Account
13	NABARD	Arwind, Mahima
14	Tamilnadu Mercantile Bank	Mahlir Loan
15	Small Industries Development Bank of India	Mahila Udyama Nidhi

Source: Microfinance India Report.

With the support of Government and Public Sector organisation Women entrepreneurship is growing at a rapid rate in the world. The factors influencing these women across sectors globally are opportunities created by globalisation, integrated market s and jobs, support from the family, major support from the government through

various programmes started internationally and domestically for women entrepreneurs, improvement in their standards, health and education.

PROGRESS OF SELF HELP GROUP - BANK LINKAGE PROGRAMME

SHG Bank Linkage Programme (SHG-BLP) has become the mainstay of the 87.44 lakh SHGs covering nearly 110 million households for social, economic and financial empowerment of the rural poor, especially the women. As per the Global Findex Database 2017 of World Bank, India's gender gap in access to financial service has come down to 6 per cent. Microfinance initiatives have a major role in bringing the unbanked women to the mainstream by bringing them into the domain of SHG-BLP. In 2017-18 too there was a net addition of 1.67 lakh savings linked SHGs. A sizeable number of these SHGs have been added during the year in priority states like Assam, Bihar, Chhattisgarh, Jharkhand, Odisha, Rajasthan, Uttar Pradesh, etc. This signifies the urge for connecting the poor households of states with high incidences of poverty with the development process through SHG-BLP. The number of new SHGs added every year has been receding in the recent past mainly due to reasons like saturation in potential areas for formation of new SHGs, data sanitization by banks, and restricted operations of SHPIs to form SHGs after introduction of NRLM/SRLM. NRLM, taking the lead in formation and capacity building of SHGs in rural India, accounted for 41.84 lakh SHGs, a jump of 12% during the year with a net addition of 4.4 lakh SHGs under its fold. The domain of SHGs consists of 84.5% women groups and is the mainstay of the programme for empowerment of the poor rural women in the country. The following table 3 gives an account of savings, credit disbursement and credit outstanding of total SHGs and under NRLM and NULM during past three years.

TABLE 3: OVERALL PROGRESS UNDER SHG-BANK LINKAGE PROGRAMME DURING PAST THREE YEARS

Particulars		(Numbers in lakh / Amount in crores)					
		2015 - 2016		2016 - 2017		2017 - 2018	
		No. of SHGs	Amount	No. of SHGs	Amount	No. of SHGs	Amount
SHG Savings with Banks as on 31st March	Total SHG Nos.	79.03 (2.68%)	13691.39 (23.79%)	85.77 (8.53%)	16114.23 (17.69%)	87.44 (1.95%)	19592.12 (21.59%)
	All women SHGs	67.63 (1.68%)	12035.78 (29.92%)	73.22 (8.26%)	14283.42 (18.67%)	73.90 (0.94%)	17497.86 (22.51%)
	Percentage of Women	85.58	87.91	85.36	88.64	84.51	89.31
	Of which NRLM/SGSY	34.57 (13.27%)	6244.97 (41.16%)	37.44 (8.30%)	7552.70 (20.94%)	41.84 (11.76%)	10434.03 (38.15%)
	% of NRLM/SGSY Groups	43.74	45.61	43.65	46.87	47.85	53.26
	Of which NULM/SJSRY	4.46 (3.00%)	1006.22 (6.12%)	5.46 (22.42%)	1126.86 (11.99%)	4.25 (-22.10%)	1350.80 (19.87%)
	% of NULM/SJSRY Groups	5.64	7.35	6.36	6.99	4.86	6.89

Loans Disbursed to SHGs during the year	Total No. of SHGs extended loans	18.32 (12.67%)	37286.90 (35.18%)	18.98 (3.60%)	38781.16 (4.01%)	22.61 (19.13%)	47185.88 (21.67%)
	All women SHGs	16.29 (12.50%)	34411.42 (40.92%)	17.16 (5.34%)	36103.13 (4.92%)	20.75 (20.92%)	44558.74 (23.42%)
	Percentage of Women Groups	88.92	92.29	90.42	93.09	91.78	94.43
	Of which NRLM/SGSY	8.16 (26.91%)	16785.78 (76.92%)	8.86 (8.58%)	17336.26 (3.28%)	12.70 (43.41%)	25055.18 (44.52%)
	% of NRLM/SGSY Groups	44.54	45.02	46.69	44.70	56.20	53.10
	Of which NULM/SJSRY	1.11 (5.71%)	2620.22 (40.00%)	1.06 (-4.5%)	2675.77 (2.12%)	1.06 (0.17%)	2424.07 (-9.41%)
	% of NULM/SJSRY Groups	6.06	7.03	5.60	6.90	4.71	5.14
Loans Outstanding against SHGs as on 31 March	Total No. of SHGs linked	46.73 (4.59%)	57119.23 (10.81%)	48.48 (3.74%)	61581.30 (7.81%)	50.20 (3.55%)	75598.45 (22.76%)
	No. of all Women SHGs linked	40.36 (4.61%)	51428.91 (12.04%)	42.84 (6.14%)	56444.24 (9.75%)	45.49 (6.20%)	70401.73 (24.73%)
	Percentage Of Women SHGs	86.37	90.04	88.36	91.66	90.62	93.13
	Of which NRLM/SGSY	21.91 (18.69%)	26610.16 (34.72%)	24.91 (13.69%)	29994.43 (12.72%)	27.93 (12.13%)	38225.29 (27.44%)
	% of NRLM/SGSY Groups to Total	46.89	46.59	51.37	48.71	55.63	50.56
	Of which NULM/SJSRY	3.13 (-1.57%)	3979.75 (14.93%)	3.18 (1.60%)	4133.29 (3.86%)	2.90 (-8.58%)	5350.63 (29.45%)
	% of NULM/SJSRY Groups to Total	7.00	6.97	6.55	6.71	5.79	7.08

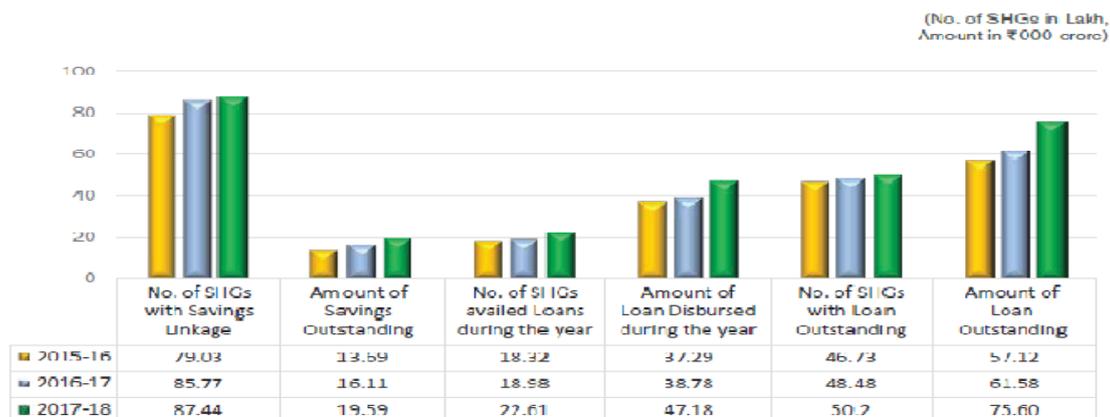
Sources: Status of Micro Finance India, Annual Report 2015 – 2018.

(Figures in parentheses indicate increase / decrease over the previous year)

NRLM – National Rural Livelihood Mission, SHG – Self Help Groups

NULM – National Urban Livelihood Mission

SRLM – State Rural Livelihood Mission

FIG 1: OVERALL PROGRESS UNDER SHG-BANK LINKAGE PROGRAMME DURING PAST THREE YEARS

Source: Status of Micro Finance India, Annual Report 2015 – 2018.

TABLE 4

NABARD Support for Training and Capacity Building for SHG-BLP during 2017-18 from WSHG Fund (No. of Participants)

Sr. No.	State	MEDPs		All Other Programmes (excluding MEDPs)		Total Progs.	
		No. of Progs	No. of Participants	No. of Progs	No. of Participants	No. of Progs	No. of Participants
NORTHERN REGION							
1	Haryana	7	290	28	1232	35	1522
2	Himachal Pradesh	11	305	10	620	21	925
3	Jammu & Kashmir	0	0	0	0	0	0
4	New Delhi	0	0	0	0	0	0
5	Punjab	0	0	0	0	0	0
6	Rajasthan	0	0	0	0	0	0
	Sub Total	18	595	38	1852	56	2447
NORTH EASTERN REGION							
7	Arunachal Pradesh	0	0	0	0	0	0
8	Assam	0	0	7	250	7	250
9	Manipur	0	0	0	0	0	0
10	Meghalaya	0	0	20	610	20	610
11	Mizoram	0	0	0	0	0	0
12	Nagaland	0	0	0	0	0	0
13	Sikkim	2	60	1	140	3	200
14	Tripura	0	0	0	0	0	0
	Sub Total	2	60	28	1000	30	1060
EASTERN REGION							
15	Bihar	0	0	0	0		
16	Jharkhand	0	0	4	189	4	189
17	Odisha	67	2138	4	611	71	2749
18	UT of A & N Islands	29	870	339	5207	368	6077
19	West Bengal	6	180	17	587	23	767
	Sub Total	102	3188	364	6594	466	9782
CENTRAL REGION							
20	Chhatisgarh	0	0	51	2687	51	2687
21	Madhya Pradesh	1	50	41	2685	42	2735
22	Uttar Pradesh	10	308	18	713	28	1021
23	Uttarakhand	2	60	19	702	21	762
	Sub Total	13	418	129	6787	142	7205
WESTERN REGION							
24	Goa	4	126	0	0	4	126
25	Gujarat	0	0	0	0	0	0
26	Maharashtra	0	0	0	0	0	0
	Sub Total	4	126	0	0	4	126
SOUTHERN REGION							
27	Andhra Pradesh	57	1710	24	2947	81	4657
28	Karnataka	0	0	4	507	4	507
29	Kerala	0	0	0	0	0	0
30	Tamil Nadu	13	390	13	623	26	1013
31	Telangana	65	1950	30	1170	95	3120
	Sub Total	135	4050	71	5247	206	9297
	Grand Total	274	8437	630	21480	904	29917

Source: NABARD, Annual Report 2017 – 2018.

SUGGESTIONS FOR IMPROVEMENT OF WOMEN ENTREPRENEURS IN INDIA

The elimination of obstacles for women entrepreneurs requires a major change in traditional attitudes and mindsets of people in society rather than being limited to only creation of opportunities for women. Hence, it is imperative to design programmes that will address to attitude changes, training, supportive services. The basic requirement in development of women entrepreneurship is to make aware the women regarding her existence, her unique identity and her contribution towards the economic growth and development of country. The basic instinct of entrepreneurship should be tried to be reaped into the minds of the women from their childhood. This could be achieved by carefully designing the curriculum that will impart the basic knowledge along with its practical implication regarding management (financial, legal etc.) of an enterprise. Here are some suggestions to increase the role of women entrepreneurs,

Infrastructure: Infrastructure set up plays a vital role for any enterprise. Government can set some priorities for women entrepreneurs for allocation of industrial plots, sheds and other amenities. However, precautionary measures should be undertaken to avoid the misuse of such facility by the men in the name of the women.

Personality Development: Attempts should be there to enhance the standards of education of women in general as well making effective provisions for their training, practical experience and personality development programmes to improve their over-all personality standards.

Self Help Groups of Women Entrepreneurs: Self Help Group of women entrepreneurs mobilize resources and pool capital funds to help the women in the field of industry, trade and commerce.

Business Development Training Programmes: It includes basic day-to-day management training like how to keep track of accounts, handle taxes and understand compliance rules and regulations. They can also focus on strategy and the long-range success of a business from writing a business plan to targeting specific markets along with product innovation within business clusters and incubators.

Access to Finance Programs: Efforts to facilitate access to finance for women entrepreneurs typically encompass initiatives that reform restrictive bank and regulatory policies. Such reforms accept less traditional forms of collateral look at a lender's willingness to repay and simplify business registry. They also help financial institutions develop innovative loan and savings products for female entrepreneurs. To establish all India forums to discuss the problems, grievances, issues, and filing complaints against constraints or shortcomings towards the economic progress path of women entrepreneurs and giving suitable decisions.

CONCLUSION

It can be said that today we are in a better position wherein women participation in the field of entrepreneurship is increasing at a considerable rate. Efforts are being taken at the economy as brought promise of equality of opportunity in all spheres to the Indian women and laws guaranteed equal rights of participation in political process, equal opportunities, rights in education and employment were enacted. But unfortunately, the government sponsored development activities have benefited only a small section of women i.e. the urban middle class women. Women sector occupies nearly 45% of the Indian population. At this juncture, effective steps are needed to provide entrepreneurial awareness, orientation and skill development programs to women. The role of Women entrepreneur in economic development is also being

recognized and steps are being taken to promote women entrepreneurship. Revival of entrepreneurship is the need of the hour emphasizing on educating women, spreading awareness, consciousness amongst women to outshine in the enterprise field, making them realize their strengths and important position in the society and the great contribution they can make for their industry as well as the entire economy. Women entrepreneurship must be molded properly with entrepreneurial traits and skills to meet the changes in trends, challenges global markets and also be competent enough to sustain and strive for excellence in the entrepreneurial area.

Women entrepreneurship is both about women's position in the society and about the role of entrepreneurship in the same society. Women entrepreneurs face many obstacles, specifically in marketing their product (including family responsibilities), that have to be overcome in order to give them access to the same opportunities as men. The entry of rural women in micro- enterprises must be encouraged and motivated. Rural women can do wonders by their effectual and competent involvement in entrepreneurial activities. The rural women have the basic indigenous knowledge, skill, potential and resources to establish and manage enterprise. Now, the need is for knowledge regarding accessibility to loans, various funding agencies, procedures regarding certification, awareness on government welfare programmes, motivation, technical skill and support from family, government and other organisation.

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