

Women Entrepreneurship in Indian Economy

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Abstract

Women entrepreneurship is an important barometer to measure the economic growth of a country. It not only contributes to improve women's situation in the society but also helps to improve economic situation of country. The acceleration of economic status of a country requires women entrepreneurs to be a part thereof. Indian women have entered the field of entrepreneurship in increasing numbers in a variety of sectors, bringing with them a different set of perspective. These women entrepreneurs strengthen a nation economically, socially and culturally. In spite of the growing number of women entrepreneurs, the share of women entrepreneurs is still significantly low in India when compared to their counterparts elsewhere. This paper attempts to evaluate prospects for women entrepreneurs and look at various initiatives taken by government for women entrepreneurship development in our country.

Key Words: women entrepreneur, resources, government initiatives.

Objective: To understand the various initiatives taken by government for development of women entrepreneurship in our country.

Methodology: The paper is descriptive study in nature. The secondary data has been used for preparing the paper extensively. The secondary information has been collected from books, journals and websites.

I. Introduction

“Women Entrepreneurs” are defined as women or a group of women who initiate, organize and operate a business enterprise.

The Government of India has defined women entrepreneurs as —an enterprise owned and controlled by women having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated in the enterprise to women.

Most of all ‘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.

Development of women has been a policy objective of our governments since independence. Until the 70s the 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. Women were given priorities in all the sectors including industry sector. Five years plans of India from the post-independence reveal clearly the importance given to women in development and also in entrepreneurship. Government and non government bodies have paid increasing attention to women's economic contribution through self employment and industrial ventures.

Focus on women in our five year plans was as below:

The First Five-Year Plan (1951-56)

It envisaged a number of welfare measures for women and resulted in establishment of the Central Social Welfare Board, organization of Mahila Mandals and Community Development Programmers’.

The Second Five-Year Plan (1956-61)

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

The Third & Fourth Five-Year Plan (1961-66 & 1969-74)

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)

The Fifth Plan emphasized training for women. It encouraged women to undergo vocational training to earn their income regularly and protect themselves with their continuous earning. This plan coincided with International Women's Decade and the submission of Report of the Committee on the Status of Women in India. Consequently, in 1976, Women's welfare and Development Bureau was set up under the Ministry of Social Welfare.

The Sixth Five-Year Plan (1980-85)

From the Sixth Five-Year plan onwards women secured a special niche and space in the national plans and planning process primarily with thrust on health, education and employment.

The Seventh Five-Year Plan (1985-90)

The Seventh Five-Year Plan stressed upon 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. Seventh five year plans gave a special emphasis for raising the status of women systematically in social and economic spheres and also focused on bringing women into the mainstream of national development. The main highlights of this plan were to outspread and encompass direct benefits to women under the theme of "beneficiary oriented programmes".

The Eighth Five-Year Plan (1992-97)

In the Eighth Plan 'empowerment' of women was recognized and accepted as a distinct strategy. The Plan focused on women, especially at the grassroots level, through Panchayati Raj Institutions which laid emphasis on empowering women.

The Ninth Five-Year Plan (1997-2002)

Further impetus for sectoral contribution to women's programmes was received with the introduction of the concept of Women's Component Plan. Identified ministries were required to indicate the flow of funds to the women's programmes and schemes, under which not less than 30 percent of funds/ benefits were earmarked for women related sectors.

The Tenth Five-Year Plan (2002-2007)

The Tenth Plan aimed at further empowering women through translating the National Policy for Empowerment of Women (2001) into action and ensuring Survival, Protection and Development of women and children through rights based approach. Monitorable targets were set for a few key indicators of human development, which included reduction in gender gaps in literacy, wage rates and reduction in MMR. (Maternal Mortality Ratio)

The Eleventh Five-Year Plan (2007-2012)

The Eleventh Plan sought to reduce disparities across regions and communities by ensuring access to basic physical infrastructure as well as health and educational services to all, recognize gender as a cross - cutting theme across all sectors and commits to respect and promote the rights of the common person.

The Twelfth Five Year Plan (2012 – 2017)

The Twelfth Plan focused on inclusive growth. This paved the way for including the women as a major category in the development process. The emphasis mainly was on single women becoming self reliant. Despite extensive government support, growth of women entrepreneurs remained slow. Data from the Sixth Economic Census¹ on how many women actually own businesses shows that out of 58.5 million businesses 8.05 million were owned by women, which indicates a rate of 13.76 percent of women among the total number of entrepreneurs in India. The World Bank Enterprise Survey² found that in 2014, the percentage of firms with women participation in ownership was 10.7 percent. The low rates of women entrepreneurship are reflected the Index of Women Entrepreneurs³ where India is ranked 52nd out of the 57 surveyed countries.

II. Initiatives

India however, is a diverse country, and so the forms of entrepreneurship women engage in, varies widely. Today more women are expanding their entrepreneurial horizons and venturing into unprecedented business areas. The greater choice now available to women in the fields of employment is a major driving force for their elevation as bureaucrats, professionals and executives. They now enter fiercely competitive world of business - and economic independence. The fact that a large percentage of them has entered the non-traditional areas attests to women entrepreneurship being boosted by programmes and schemes of Indian Govt. The

Traditional female skills are being turned into a livelihood, by starting a home based business encompassing textiles, catering, embroideries, boutiques, crafts and many more.

Starting a business is a difficult prospect and key challenges include generating funding, limited understanding of customers, penetrating the market, hiring qualified employees, and the complex regulatory environment. For women entrepreneurs, there are additional barriers in the form of a broader and more pronounced gender gap in the male-dominated Indian society, family support, childcare and safety in work and public places.

Harnessing the full potential of women entrepreneurs promotes innovation, economic growth, and job creation. This brief guided the government to formulate support schemes in a way that would help tackling structural factors in the external environment. The low women entrepreneurship rates were understood to be a part of a broader gender gap in economic participation and opportunity. This was attended to by providing equal access to education and by encouraging women to use their acquired skills by joining the workforce. It was felt as women gained experience and knowledge, it would enable them to start their own businesses.

Women entrepreneurs in India needed better access to finance and networks. Today, organisations such as NITI Aayog's Women Entrepreneurship Platform, Catalyst for Women Entrepreneurship, and the accelerator for women in tech initiated by Zone Startups India, provide dedicated support for women entrepreneurs. They connect them with relevant people in their industry and foster networking among the women entrepreneurs themselves, so they can learn from each other's experiences. Moreover, they assist in fund raising by teaching how to pitch and connecting them with potential investors.

In order to encourage more and more women enterprises in the country, several schemes have been formulated by the government, all targeted at the development of women enterprises in India. The following is a brief summary on some of the schemes that are made specifically for women

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). This scheme is offered by the Ministry of Micro, Small and Medium Enterprises (MSME) for promoting women entrepreneurs. It empowers women by imparting trade-related training, information and counseling activities. Under this scheme, the government also grants up to 30% of the loan/credit appraised by banks, to a maximum of Rs. 30 lakhs.

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

Again an initiative by MSME, wherein a cluster of enterprises is identified for enhancing the productivity and competitiveness. The idea is to support sustainability and growth of MSEs by addressing common issues such as improvement of technology, skills and quality, market access, access to capital, building capacity through self help group, consortia, etc. and setting up common facility centers (for testing, training centre, raw material depot, effluent treatment).

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 operated by the Credit Guarantee Fund Trust for Small Industries (CGTSI) set up jointly by the Government of India and SIDBI provides for collateral free credit facility 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.

Support for entrepreneurial and managerial development

MSME under the above scheme provides for early stage funding for nurturing innovative business ideas (new indigenous technology, processes, products, procedure etc.) which could be commercialized in a year. The main objective is to promote development of knowledge-based innovative ventures and to improve the competitiveness and survival instincts of the Micro, Small and Medium Enterprises (MSMEs). Such entrepreneurial innovative ideas are sought to be developed in reputed Technical Management institutions before these can become commercially viable and attract venture capital.

Exhibitions for women under promotional package for micro & Small enterprises approved by CCEA under marketing support

MSME formulated a scheme for women entrepreneurs to encourage Small & Micro manufacturing units owned by women to assist 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 and to enhance export from such units.

Rashtriya Mahila Kosh (RMK)

Established in 1993, this national-level organisation was set up under the Ministry of Women and Child Development. RMK provides micro-credit to women in the informal sector; the credit is provided in a hassle-free manner and is offered without collateral. The organization provides loans to Intermediary Organizations (IMO) which then lends to women Self Help Groups (SHGs). Under its various schemes, there is no need for collateral if the loan amount is less than Rs. 1 crore. If the amount is more than this figure, then the borrowing organisation needs to provide 10% of the sanctioned amount in the form of fixed deposit as security. The maximum loan for an individual women beneficiary is Rs. 50,000.

Stand Up India scheme

This scheme provides loans to entrepreneurs from SC/ST tribes, and focuses on promoting women entrepreneurs. It not only helps women in creating a start-up, but also helps those start-ups that are new and have been recently set up. With the help of this scheme, women can avail loans ranging from Rs. 10 lakhs to Rs. 1 crore. Loans are provided for setting up Greenfield enterprises that are functioning in either the manufacturing, services or trading sectors.

Mudra Yojana Scheme for Women

This scheme was launched by the Government of India, in a bid to encourage women to start their own ventures and be self-sufficient. There is no need for collateral to avail this loan. On getting verified, the concerned person receives a Mudra card, which is like a credit card and can be used to buy required material for the business. The scheme comes in three forms:

- Shishu – Under this scheme, the maximum amount is limited to Rs. 50,000
- Kishor – An established enterprise can avail loans ranging from Rs. 50,000 to Rs. 5 lakhs
- Tarun – Successful companies looking to expand further can get up to Rs. 10 lakhs

Mahila Udyam Nidhi Scheme

Offered by Small Industries Development Bank of India (SIDBI), this scheme provides financial assistance of up to Rs 10 lakh to set up a new small-scale venture. It also assists with upgrading and modernisation of existing projects. The loans are to be repaid within 10 years, and this includes a five-year moratorium period. Further, interest rates on these loans can vary according to market rates.

Annapurna Scheme

This scheme applies to women entrepreneurs who have started a food catering unit. They can avail a loan of up to Rs 50,000 to purchase kitchen equipment such as utensils and water filters. A guarantor is required to secure the loan. After securing the loan, it can be repaid in 36 installments. Interest rates under this scheme are as per prevailing rates and assets are taken as collateral by the concerned bank.

Stree Shakti Package For Women Entrepreneurs

It is offered to women who have majority ownership (over 50 percent) in a small business. The women also need to be enrolled in the Entrepreneurship Development Programmes (EDP) organised by their respective state agency. Under the scheme, an interest concession of 0.05 percent can be availed on loans above Rs 2 lakh.

Bhartiya Mahila Business Bank Loan

This scheme provides a loan of up to Rs 20 crore for women business owners of manufacturing enterprises. Under the Credit Guarantee Fund Trust for Micro and Small Enterprises, there is no need for collateral for loans up to Rs 1 crore. The loans under this bank loan scheme are to be repaid in seven years. The scheme was implemented by Bhartiya Mahila Bank which was merged with State Bank of India in 2017.

Dena Shakti Scheme

This scheme provides loans up to Rs 20 lakh for women entrepreneurs in agriculture, manufacturing, micro-credit, retail stores, or similar small enterprises. There is a concession of 0.25 percent on the rate of interest. Under the scheme, loans up to Rs 50,000 are offered under the microcredit category.

Udyogini Scheme

Women entrepreneurs between the ages of 18 and 45, who are involved in agriculture, retail and similar small businesses, can avail loans up to Rs 1 lakh under this scheme. Further, the family's annual income should be below Rs 45,000 in order to avail the loan. However, no income limit exists for widowed, destitute or disabled women. For widowed, destitute or disabled women from SC/ST categories, a subsidy of 30 percent of the loan, up to Rs 10,000, is provided.

Cent Kalyani Scheme

Offered by the Central Bank of India, this scheme is for women business owners in multiple areas such as agricultural work or retail trading. Under this scheme, loans up to Rs 1 crore are sanctioned and no collateral or guarantors are required. Interest rates on loans depend on varying market rates.

Swayamsidha Scheme

Swayamsidha is an integrated scheme for women's empowerment through formation of women Self-Help Groups (SHGs). The scheme launched in February 2001 across the States and Union Territories of the country has a budget outlay of Rs. 116.30 crore. The long-term objective of the programme is holistic empowerment of women through a sustained process of mobilization and convergence of all the on-going sectoral programmes by improving access of women to micro credit, economic resources etc. The programme is being implemented in 650 blocks in the country including 238 Indira Mahila Yojana (IMY) blocks, covering 335 districts. Each block consists of 100 Self Help Groups. The programme is being implemented in many States through ICDS infrastructure; while in some States, the scheme is implemented through State Women's Development Corporations.

Aftereffect

The Ministry of MSME, has emerged as a premier institution responding to issues of women entrepreneurship. At its first 'Conclave on Empowering Women Entrepreneurs of marginalised Sections' it awarded path breaking women entrepreneurs and outstanding women achievers in varied fields on the occasion of International Women's Day 2019. The awards intended to celebrate women who are breaking the regressive restraints that society and circumstance have placed on them, and are choosing to be financially independent, while continuing in their traditional roles as primary caregivers. With such supportive environment and initiatives, a number of women entrepreneurs have made a significant dent in the startup ecosystem. Some well known are enumerated below:

Entrepreneur	Organisation	Description
Aditi Gupta	Menstrupedia	website that guides on hygiene, health and ways to be active during periods.
Aditi Balbir	V Resorts	manages the unique resort properties in India.
Aditi is recognized as Fortune 100 Most Powerful Women Asia 2017 and Dell Foundation's 200 most powerful women entrepreneurs in the world in 2016.		
Ankita Gaba	SocialSamosa.com	A to Z repository of Indian social media thoughts, ideas, trends, news, and dialogue.
Ankita Gaba is in the list of "Global Top 100 Social Media Agencies and Consultants 2012-13" and "50 Indian Women to Follow on Twitter", among others.		
Ashwini Asokan	MAD Street Den	an Artificial Intelligence and Computer Vision company.
Chitra Daga	Thrillophilia	biggest online platform for booking travel experiences that curates best local experiences with hand-picked guides and vendors.
Debadutta Upadhyaya	Timesavarez Dotcom P Ltd	online portal that helps one find reliable people to assist homemakers and such with personal tasks that range from cleaning, repairs, handyman jobs to running errands and helping in paperwork.
Falguni Nayar	Nykaa	beauty and wellness e-commerce, premier platform for women.
Garima Satija	PoshVine	enables to pick a fine dining restaurant, make instant reservations for free and earn credits every time.
Harpreet Kaur	Love4Apple	an e-commerce website where customers can buy accessories that are exclusively made for Apple products.
Pranshu Bhandari	CultureAlley	an online language learning tool. It helps to understand vivid cultures through their languages.
Radhika aggarwal	ShopClues.com	caters to all shopping needs by delivering an elaborate range of options which include fashion, sports, tech, kitchenware amongst many other.
Richa Kar	Zivame	where women can understand and get to explore their lingerie needs, browse through styles, sizes and get the goods delivered at their doorstep without all the embarrassment.
Sabina Chopra	Yatra.com	offers swift and cost effective travel bookings to your hotel bookings, where all related concerns are taken care of in one place.
Sairee Cahal	SHEROES.in	app offering health tips for women.
Sairee was a finalist for the Cartier Women's Award Initiative for 2012 and voted Most Powerful Women in Indian Business, 2012.		
Sakshi Tusian	Posist	a cloud based restaurant management service catering to top startups in India.
Shradha Sharma	YourStory Media P Ltd	a news platform telling unsung tales of the business world.
Shubra Chadda	Chumbak	an online store selling Indianised customized, funky apparel.

Other than those mentioned above, following are many lesser-known women entrepreneurs, who broke the glass ceiling and made it big:

Mehvish Mushtaq from Kashmir	Dial Kashmir	provides users with detailed information such as addresses, phone numbers and email ids of various essential services and relevant government departments in Kashmir.
Pabiben Rabari from Kukadsar	Rabari Embroidary	women artisan enterprise based in Kukadsar employing over 60 women making more than 25 designs,
Tamanna Sharma of Delhi	Earthling First P Ltd	a sustainable event and event waste management service provider
Sobita Tamuli from Assam	-	directly manufacturing and selling kesuhaar (organic manure) to customised japis (traditional conical hat from Assam) without the involvement of middlemen
Hemalatha Annamalai from Coimbatore	Ampere Electric	manufactures electric vehicles like e-cycles, e-scooters, e-trolleys, special-purpose vehicles for waste management and differently abled people.
Thinlas Chorol form Ladhak	Ladhaki Women's Travel Co	Ladakh's first travel company wholly owned and operated by women with over 30 working staff comprising female guides, trainee guides, porters and office staff.
Neha Arora of Delhi	Planet Abled	venture employs dedicated moderators and tour guides who help the differently abled pursue their dream of travelling without any barriers
Sumita Ghose from Bikaner	-	community-owned business comprising 3,000 artisans from remote villages and regions across India selling handcrafted products
Chayya Nanjappa of Mysuru	Nectra Fresh	Sources high-quality honey from illiterate communities in Mysore and Mandya districts and tribal communities across Karnataka state.
Chayaa Nanjappa was awarded the 'National Best Entrepreneur Award' in food processing by the Confederation of Women Entrepreneurs of India in 2014		
Lakshmi Menon of Ernakulam	Pure Living	offers an eco-friendly alternative to plastic pens and wooden pencils that grow into trees when they are disposed.

It is noticed that widespread education and social awareness during last three decades has resulted in women showing interest in starting their own venture. Hence there is a considerable growth of women entrepreneurs. Women are willing to accept challenges & assume responsibility in economic, social and political circles. Generally, they are engaged in small cottage industries but many are now seen starting ventures in all the sector on equal footing with men. In summary, Increase in women entrepreneurs in India can be attributed to overall changing perception of entrepreneurship, better access to education, increasing social acceptance of women entrepreneurship, better infrastructure, better access to finance and a rise of role models to emulate.

III. Conclusion

For Indian women, empowerment was be an uphill task: they needed to balance opportunities with customs and traditions. The Government's initiatives for the upliftment of women, has been bearing fruit as illiterate and semi-literate and educated women entrepreneurs from both rural and urban areas, are availing benefits of different schemes to start or run a company.

Swami Vivekananda, quoted that, "There is no chance for the welfare of the world unless the condition of women is improved, it is not possible for a bird to fly on only one wing."

The inclusion of 'Women Empowerment' as one of the prime goals in the eight Millennium Development Goals underscores the relevance of this fact. Entrepreneurship is presently the most discussed and encouraged concept all over the world to overcome economic challenges. Women have great capacity and potential to be the contributors in the overall economic development of any nation. It can be said that today we are in a better position where women participation in the field of entrepreneurship is increasing at a considerable rate. Efforts are being taken to provide equal opportunities in all spheres to Indian women. Although, the government sponsored development activities have yet benefited only a small section of women, effective steps are being taken to provide entrepreneurial awareness, orientation and skill development programs to women.

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