

The role and challenges of Women Entrepreneurship in Small scale industries in India

¹**Shilpi Kavita**, Research Scholar, Department of Economics, Veer Kunwar Singh University, Ara, Bihar

²**Prof. (Dr.) Anwar Imam**, Department of Economics, Veer Kunwar Singh University, Ara, Bihar

ABSTRACT

Entrepreneurship has gained more importance as it fulfils the gap in the existing market by focusing on small needs and desire of customer and the market. The government has also initiated this momentum by developing policy initiative to promote entrepreneurs and develop entrepreneurial skills by passing favourable plans to strengthen the entrepreneurial ecosystem in the country. Today every field has been captured by women, from home to defence. Entrepreneurial field is also no exception.

Women entrepreneurship can bring transformational change in the society by adding to the country's economy as well as their home economy. One of the practical solutions of solving unemployment issues is women entrepreneurship. According to National Statistical Office (NSO) data, female literacy rate stands at 70.30% in the year 2021. However, the relationship of literacy and entrepreneurship has no positive correlation. Even illiterate women venture into entrepreneurship field.

The present paper tries to study the role of women entrepreneur in accelerating the growth of small-scale industries in Indian economy and also reveals the challenges faced in this sector.

Keywords: women entrepreneurs; Small scale industries, Indian economy

Introduction:

The interconnected global market through digitalization and start-up era has shown that India is clearly seeing a revolution in the field of women entrepreneurs. Around 14 per cent of the total entrepreneurship in India constitute women as per the sixth economic census released by Central Government. Economic development of a country is also there by entrepreneurship and this holds true in case of Women entrepreneurship too. They are also a key contributor to innovation and employment creation.

Any developing country will have many female entrepreneurs who could play a key role in its economic development, particularly in terms of their development of new products. Over

the past year, even in developed countries like the United States and Canada, women have seen an increase in the number of small businesses where they are members for their share. Additionally, with regard to the empowerment of female entrepreneurs and the development of the latter, it is obvious that these are complementary. Taking part in development activities is a necessary precursor to women empowerment. As a result of their involvement in various entrepreneurial activities, women have gained power—empowerment in social, economic, culture, and other spheres of life. In most sectors of the economy, it is evident that women entrepreneurs have made a big contribution to the progress of the economy over the years

The myth that women entrepreneurs come only from the established business families or higher-income sections of the population has been broken. Now a days ,they come from all walks of life and from all parts of the country. They have accepted the challenges of male dominated society and entered every field and sectors of business.

Entrepreneurship itself never differentiate between men or women but being a woman entrepreneur is itself a challenge. In the present context however this is now being discussed in different prespective. The patriarchial society is having a balance with matriarchial society.

The need and support for women entrepreneurs has become topic of discussion. “Women don’t need any special attention,” said Kanika Tekriwal, Co-Founder and CEO, Jetsetgo Aviation Services while participating in a panel discussion on the need to encourage women entrepreneurship. The women force is no longer dependent for any special status. They have shown through their contribution and achievement that they are self sufficient and self reliant.

Women entrepreneurship can generate transformational employment. There is need to step up efforts to grow female entrepreneurs to solve employment challenges. Women’s participation in labour force is still very less. Unlocking entrepreneurship among women for future generations will provide an unprecedented opportunity to change the economic and social trajectory.

The entrepreneurial zeal amongst women entrepreneurs are now being seen among the women entrepreneurs in India, however still they need hand holding from the family and government as they lag behind the male entrepreneurs, be it social stigma or ground difficulties in operation. They face the challenges and to overcome those challenges there is need of support and mentorship of the government and society.

In many cases women are named owners for the sake of administrative and financial reasons but the real participation is not there. Effort should be made from us to inculcate and develop the entrepreneurship skill among the girl students. There should be pragmatic change in our thinking and initiative so that our future generation women will usher an era of “WOMENTREPRENEURS.”

Categorisation of Women Entrepreneurs: The women entrepreneur can be categorised on the basis the factors responsible for being an entrepreneur.

OBJECTIVES AND RESEARCH METHODOLOGY OF THE STUDY: The article is descriptive in nature. The study is based on secondary data collected from published research papers, websites, reference books, journals and reports etc. The objective behind the said article are following:

- To study the role of women Entrepreneurs in Small Scale Industries in Indian Economy
- To study the challenges faced by the women entrepreneurs in Small Scale Industries in Indian Economy
- To study the initiatives taken by government for women entrepreneurs in Small Scale Industries in Indian Economy

LITERATURE REVIEW: Many researchers have put effort to study the role of women entrepreneurs as of present dominant factors specially in small and medium enterprises. Their analysis and study helped in adding to the research of the problems faced and the challenges being solved by the government support.

(Sonia, 2016) is of view women entrepreneurs have been successful in social and economic fields. However though through the policy and institutional support government is encouraging women entrepreneurship, still only one third of economic enterprises are being led by women entrepreneurs.

(Mousumi, 2019) analysed the problems and challenges faced by women entrepreneurs. The author also suggested policies to solve the above issues and steps by Indian government to encourage women entrepreneurship. The paper throws light on opportunities for growth and challenges faced by women entrepreneurs of today.

(Chavan & Murkute, 2016) discussed the importance of women entrepreneurship and also focuses the role of women entrepreneurs in the Indian economy like growth with equity and also their contributions to the economic development. Various broader objectives can be achieved by enabling the development of women entrepreneurship. They advocated that for sustainability of women entrepreneurship, skill enhancement is needed and effort should be made to enhance it.

(S.R., 2022) are of view that women entrepreneurs in India are changing the face of the current business. A country can grow and develop its entrepreneurship and economy by involving, encouraging and motivating women as well.

(Gopinath & Chitra, 2020) This research is on the study and review of the Women Entrepreneurs of Salem district who have seen the problems faced by the women Entrepreneurs. They realised that the family support factor is an important factor for the development of women entrepreneurs .

(Koneru, 2017) analysed that male dominance in the society has proved to be crucial factor in posing challenge to women entrepreneurs. Despite all the social hurdles, Indian women entrepreneurs have stood tall and are applauded for their achievements in their respective field. The transformation has been due to varied aspirations for better living, necessitated a change in the life style of Indian women. A case study of a women entrepreneur of Ludhiana has been dealt with

(Mahajan, 2013) in the conceptual paper indicated and emphasized that the women entrepreneurs are the potentially emerging human resource in the 21st century. In the paper the author has tried to find out the status of women entrepreneurs in India and also discussed the success story of Hina Shah . He made it clear that Women of 21st century is no more a traditional resource confined to homes only. He gave several recommendations to promote spirit of women entrepreneurship and helping the women to become a successful entrepreneur

(P, 2021) legislative measures providing socio-economic security to women entrepreneurs, but these do not touch the socio- economic and cultural contexts of discriminations in which most Indian women live. The problem of entrepreneurial participation is more acute for women due to their multiple roles of a worker, housewife and mother. The lack of capital and assets, irregular income, sickness, poor working and living conditions, lack of outside linkages and opportunities for training and marketing of productions, altogether drag them into deprivation, discrimination, poverty and status degradation

Role of Women entrepreneur: As women population constitute around 50% of the Indian population, the role of women in transforming the economic conditions of Indian economy needs to be emphasized.

Women entrepreneur can bring drastic changes in transforming the society as well as add to the nation's wealth on economic front. Economic and social impact adds to the indirect impact on other diversified analytical factors.

The role of women entrepreneur in small scale industries is partially a part of natural instinct of women. as many business are extension of kitchen activities like pickles, powder, pappad etc. Apart from kitchen women natural interest in beauty products, stitching and other like activities has also added to the new role as women entrepreneur. The role is now expanding also in other sectors like Engineering, Electronics and Energy. These segment activities is not as common as the pre discussed activities but there have been example of women setting up

units to manufacture solar-cookers (Gujarat), small foundries (Maharashtra), T.V. Capacitors (Odisha) and electronic ancillaries (Kerala).

Many women entrepreneurs have set an example and proved that the traits of women of hard work, perseverance, patience and diligent have made them successful in endeavour of small business. The glass ceiling may take time to be fully removed but that is not stopping women from breaking it time and again. Every field is being touched by the women entrepreneurs. The importance of women entrepreneurs in small scale industries has been focussed as the sector is labour intensive and we cannot deny the fact that women share half percentage of the population. They are able to innovate and face the challenges.

There have been many examples in our country who have achieved great names in the field of small and medium scale industries like Monica Narula who is Co-Founder and Director of Idea Chakki Private Ltd., which is a Delhi-based food and restaurant tech platform another example is Ratna Chadha who is Co-founder and Chairperson of TIRUN., Co-Founder, Absolutdata of Sudeshna Datta., Divya Jain who is Founder and CEO of Safeducate, and many more whose names have not been mentioned here.

The success stories of the women entrepreneurs has made us realise that their inherent quality of hard work, perseverance, patience and strong determination has proved them as better organiser than their male counterpart.

Challenges: Though there have been initiatives to promote the women entrepreneurs, still the social stigma and practical difficulties have been impeding growth of women entrepreneurs.

The social stigma of male dominated society poses a serious challenge for women entrepreneurs. They are not able to break the glass ceiling as they are not allowed by the social barriers of the society. They are demotivated at the family level itself.

Family obligations is also a great impending factor in the growth of women entrepreneurs as their commitment as home maker is expected in Indian society specially. From early morning to late night her physical presence to the family work does not provide to process her mind for any other innovative idea.

Even on financial part they are not self sufficient to start a venture. Low personal assets and savings is a common problem of women entrepreneurs. Furthermore, the financial institution also are doubtful on women entrepreneurs repaying capacity as compared to male entrepreneurs. They face challenge in procuring finance through banks.

The small scale industries generally in the unorganised sector, the women entrepreneur literacy rate is low and they face difficulty in paper work and other related works for developing business.

Lack of technical and business skills also adds to the slow progress of women entrepreneurs in small scale industries as they have to sometimes compete with the medium and small-scale industries.

Networking of the women entrepreneurs are low as compared to the male counterparts as this issue is somewhere also responsible for slow growth of women as entrepreneur. Social stigma and family obligations are the indirect factors for low networking of women. There access to business opportunities and channelise the various intermediaries is not upto the mark.

Social and personal challenges are well known factors.Social beliefs and customs pose difficult situation for women entrepreneurs to rise.Further women low self confidence and fear of rejection adds to the challenge.Equal rights of property is generally denied in practical situation.The women safety also reduces the mobility part of them for expanding the business.

Government Initiatives:

The government of India has been a great support to the female in every sector.There has been a great development of start-up also in the present era .Women entrepreneurs have ushered in this segment also, be it beauty products, food sanitation, Information technology or many other new opportunities.

The loan schemes and facility by the government has encouraged the women entrepreneurship specially in small scale industries. The Mudra loan, provides loan to the interested women entrepreneurs without any collateral. There are three categories within this loan .Shishu loan (the maximum loan amount granted is Rs.50,000) Kishor Loan for business already established(from Rs. 50,000 to Rs. 5 Lakhs)Tarun Loan for expansion of well established businesses planning to expand (Rs 10 lakh).Another scheme Annapurna is for women entrepreneurs interested in food catering businesses loans up to Rs.50,000 to be repaid in 36 monthly instalments .Stree Shakti Yojana is for providing concessions to the women who have major shares in a business In this scheme 0.05% interest concession on loans is provided for loans above two lac rupees.Dena Shakti Scheme gives loans up to Rs.20 lac in agriculture, manufacturing, micro-credit, retail stores, or small enterprises.Bhartiya Mahila Bank Business Loan is a public sector banking company which gives loans up to Rs20 Crores for working capital needs, business expansion, or manufacturing enterprises. This scheme is very similar to a scheme discussed above. In some of its different scheme, collateral is not required like Shringaar,where self-employed women or homemakers planning a startup or meets their daily business expenses are provided assistance .Parvarish in which the upper limit of this loan can be ₹1 Crore without any collateral security under the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGSTSM) scheme. Annapurna which is for food women entrepreneurs with a age limit 18 to 60 years. Mahila Udyam Nidhi scheme is offered by PNB and SIDBI The scheme supports to set up a new small-scale venture by extending loans up to Rup to be repaid in ten years at

market rate of interest. Orient Mahila Vikas Yojana Scheme has been launched by Oriental Bank of Commerce. In this scheme women with an ownership of 51 percent share capital individually or jointly in a proprietary can avail a loan. Cent Kalyani Scheme gives assistance to the existing and new entrepreneurs and self-employed women. Micro and small enterprises like, retail trade, agriculture, cottage industries, farming are all eligible to apply for the Cent Kalyani Scheme. Udyogini Scheme has been implemented by Women Development Corporation to provide financial support to illiterate women living in rural and backward areas. Apart from the mentioned above there are many such more support by Government and non government organisations.

Suggestion:

India needs to take a non-traditional approach. In addition to job creation by private and government sectors, entrepreneurship is a powerful, and largely untapped, opportunity for working-age women in India. By generating jobs, encouraging innovations and increasing investment in health and education, entrepreneurship among women could bring change in India's economy and society. Effort should be made to enhance the ability of women to participate in the labour force by giving provisions for the availability of affordable child care and equal treatment at the work place specially. Further offices should be set up with a women centric approach. Such offices could have programmes designed for providing assistance for women's business and held events to literate the women entrepreneurs of ideas and support to those wanting to start and grow a business. The government should incorporate women's entrepreneurial dimension in the creation of all small and medium enterprise related policies. To add in other sectors and segments can be promoted by developing and encouraging women's entrepreneurship through awareness programs and campaign. Time to time evaluate the impact of any small and medium enterprise policies on the success of women businesses and the limit to which such businesses have advantage of them. The goal should be to identify ways to improve the effectiveness of those that should be having sustainability in it. Positive practices that are identified in this way should be disseminated and shared globally

Conclusion:

Thus through this paper we may conclude that Women entrepreneurship can bring transformational change in the society by adding to the country's economy as well as their home economy. The entrepreneurial zeal amongst women entrepreneurs are now being seen among the women entrepreneurs in India, however still they need hand holding from the family and government as they lag behind the male entrepreneurs, be it social stigma or ground difficulties in operation. They face the challenges and to overcome those challenges there is need of support and mentorship of the government and society. Women entrepreneur can bring drastic changes in transforming the society as well as add to the nation's wealth on economic front. Economic and social impact adds to the indirect impact on other diversified

analytical factors. The government of India has been a great support to the female in every sector. There has been a great development of start-up also in the present era. Women entrepreneurs have ushered in this segment also, be it beauty products, food sanitation, Information technology or many other new opportunities.

Though there have been initiatives to promote the women entrepreneurs, still the social stigma and practical difficulties have been impeding growth of women entrepreneurs. India needs to take a non-traditional approach. In addition to job creation by private and government sectors, entrepreneurship is a powerful, and largely untapped, opportunity for working-age women in India.

References:

Baporikar, N. (2007) *Entrepreneurship Development & Project Management*-Himalaya Publication House

NithyaPrem, S. R. (2022). Role of women Entrepreneurship in INDIA. *Journal of Positive School Psychology*, 257-260.

Akula, S. C., & Singh, P. (2022). Influence of Microfinance on Women Entrepreneurship: The mediating role of Women Economic Security and moderating role of Previous Work Experience. *Cuadernos de Economía*, 45(127), 59-69.

Deepa, B., Rani, Y. S., & Radhika, P. (2022). Role of Women Entrepreneurs in Economic Development of a Country. *Journal of Positive School Psychology*, 6(3), 9831-9835.

Sunkad, G. (2022). Women Entrepreneurship. *EUROPEAN JOURNAL OF BUSINESS STARTUPS AND OPEN SOCIETY*, 2(4), 45-49.

Shah, M. M., Joshi, A. B., Dave, A., & Dave, T. (2022). Women Entrepreneurship In India: The Lesser Favourable Road. *NVEO-NATURAL VOLATILES & ESSENTIAL OILS Journal/ NVEO*, 1759-1765

Dewi, R., Eliyana, A., & Anwar, A. (2022). THE ROLE OF WOMEN ENTREPRENEURSHIP ANTECEDENTS IN SUPPORTING SOCIAL AND ECONOMIC WELL-BEING.

Chopra, R. K. (2021). The Role of Women Entrepreneurship in India: Time to Take Learning From Finland and Israel. In *Women and Entrepreneurship in India* (pp. 52-70). Routledge.

Samantroy, E., & Tomar, J. S. (2018). Women Entrepreneurship in India: Evidence from Economic Censuses. *Social Change*, 48(2), 188-207. <https://doi.org/10.1177/0049085718768898>

Kumar, A. (2004), "Financing Pattern of Enterprises Owned by Women Entrepreneurs", The Indian Journal of Commerce, Vol. 57, No. 2. Mahanty Sangram Keshari – Fundamentals of Entrepreneurship –Prentice Hall of India

Dhameja S K (2002), Women Entrepreneurs: Opportunities, Performance and Problems, Deep Publisher (P) Ltd., New Delhi.