

## WOMEN ENTREPRENEURSHIP DEVELOPMENT IN INDIA

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### Abstract

Women is an important part in achieving inclusive growth in an economy. In economic development entrepreneurship plays an important role. In India only a very few women participated in entrepreneurial activities till 1980. In 1980 “New Delhi Declaration and Plan of Action” focus development of entrepreneurial skills among women. In 1980 -1990 many institutional initiatives were taken for women entrepreneurship. In 1990 after the liberalisation, opportunities were recognised and started flourish for women entrepreneurs. The concept and classification of women entrepreneur is discussed. Analysis of hurdles faced by women and various government schemes available for women entrepreneurship is also studied. The few stories of successful women entrepreneurship are also shared. Finally, the conclusion came more rural and lower middle-class women should be supported with more entrepreneurial opportunities for overall growth in the economy.

**Keywords: women entrepreneurship, economy, women empowerment, government**

### INTRODUCTION

Large number of women entrepreneurs have setting up their business. But setting up these were not easy for them, they have faced a lot of difficulties and barriers to become successful. They have to face many challenges and hurdles coming in their way to create a successful business venture. Discrimination in the male dominated society, putting more efforts to prove their credibility. Women choose different style of entrepreneur than men.

Shanta Kohli Chandra said the women focus more on relationships and believe in intuitions while serving a business, whereas men prefer logical thinking and efficacy. The strength of recognising the hidden opportunities make them able to gain edge over men. The important part and characteristic in women are “Motherhood skills” which she can easily transfer to job. It includes monitoring, guiding and share information. In developing countries business women have general characteristics like:

(i) more concentrated to market sectors as low entry level barriers and less communication required. (ii) more focus on services, trade and manufacturing activities. (iii) Small businesses having five or less than five employees. (iv) High work experience by owners (v) traditional technologies were used (vi) mostly employee family people (vii) work at home preferable (viii) household responsibilities affect business growth (ix) less literacy rate by owners and low education.

#### 1. Objectives of the study

- (i) To understand the contribution of women in economic development.
- (ii) To identify the challenges faced by women entrepreneurs.
- (iii) To study the various measures and schemes provided by government for the women empowerment.

#### 2. Methodology

It is a theoretical based research paper. Secondary data is used for this study. Data is collected from different secondary sources, review of literature and analysis of secondary sources, authorized information, research paper and record sources available of websites.

#### 3. Women Entrepreneurship in India

There is a provision of equal rights for both men and women in the constitution. 34% of women are involved in industrial activities in India. Women own only 13.6% enterprises. Most of the women worked in unorganised sector. 1975 year was declared as an International year of women. In Mexico, 1975 it was declared that it has been sought equalities between men and women in all the development activities. In next five-year plan India adopted “New Delhi Declaration and Plan of Action” which emphasised on industrial training to women. Since then many government institutions in every state formulated new plans and policies regarding credit and market facilities to provide training

facilities for women. Later on, these institutions are formed in each district with different industrial centres. In the year 1995 a different department was setup for the development of Women Entrepreneurship in all states.

MoSPI, released the 6<sup>th</sup> economic census, In India women creates only 14% of the overall entrepreneurship. A study by Mc Kinsey has shown that India's GDP can rise by 16-60% by 2025 if woman participates equally in the economy which means an addition of \$2.9 trillion in the economy.

### **CLASSIFICATION OF WOMEN ENTREPRENEURS**

The women entrepreneur enterprise are defined as, "A small scale industrial unit or industry –related service or business enterprise, managed by one or more women entrepreneurs in a concern, in which they will individually or jointly have a share capital of not less than 51% as shareholders of the private limited company, members of co-operative society". Women entrepreneurs are classified on the different basis like:

1. On the basis of industries, they work in

- (a) organized and unorganized sector
- (b) traditional and modern industries
- (c) urban and rural areas
- (d) small scale and large-scale industries
- (e) joint venture and single women

2. On the basis of practice of their entrepreneurial activities

Ist category – entrepreneurs established their ventures in big cities having high level of professional and technical qualifications involved in trading of non -traditional items with good financial resources.

IInd category – women entrepreneurs' setup their businesses in towns and cities with required education involved in trading both traditional and non -traditional items and services like beauty services, clinics, kindergarten etc.

IIIrd category-women entrepreneurs illiterate or partially illiterate, financially weak and involved in small scale tertiary business such as agriculture, horticulture, fisheries, animal husbandry, dairies, fisheries, hand looms etc.

### **CHALLENGES FACED BY WOMEN ENTREPRENEURS IN INDIA**

From physical to social many challenges are faced by Indian women while beginning an entrepreneurial venture.

(i) Attitude and social support

Society plays an important role in women entrepreneurial success. The most common problem faced by women is non-cooperation of family member especially by spouse/ other family members. Besides this family hurdles, dual responsibility; risk appetite etc has to face by her in the business.

(ii) Marketing

Women sold their products at less price because of less knowledge about market and price. Middlemen exploits them. She needs to be updated on market price, logistics, margin etc. Government should provide field training to them.

(iii) Finance

It is a major resource for any business. Women should have knowledge about different government schemes and various money lending options available so they can easily start their ventures without capital constraints. Else they have to use their savings which is also a constraint for them.

(iv) Operational

Women struggles at the operational stage as they don't have adequate knowledge about raw materials, optimum use of resources, infrastructure facilities. They majorly lacks in Technical skills and knowledge.

(v) Mobility

In the conservative Indian society, there is always an issue with mobility of the women. Women mobility is very limited. She is dependent for mobility on other family members

(vi) Multiple Responsibilities

Women manages many responsibilities from daughter to being a grandmother, she plays different roles. They do multiple works at home. Taking care of their children and elders is also involved. Beyond all these, she has to look after his business also which is a challenge for her.

(vii) Unawareness of the supports and various government schemes

Government provides number of measures to protect women and support them through different schemes but many women are unaware of them. Women entrepreneurs can use the training and development programs provided by the government. NGOs play important role in communicating the government schemes to the needy. Women entrepreneur must be aware of these different government schemes and should develop their business through them. Still awareness is less in context to the women entrepreneurs.

Next section highlights the various measures taken by government through five-year plans.

**INDIAN GOVERNMENT INITIATIVES TO EMPOWER WOMEN THROUGH FIVE YEAR PLANS**

First five-year plan (1951-1956) establishment of central social welfare board, organisation of Mahila Mandal and various community development programmes were a few steps taken in this direction. Second five-year plan (1956-1961) empowerment of women was closely linked with overall approach of intensive agricultural development programmes.

Third and fourth five-year plan (1961-1966)(1969-1974) female education as the major welfare scheme used.

Fifth five-year plan (1974-1979) women in need of income and protection were trained. This coincided with International Women's Decade and the submission of report to the committee on the status of women in India. In 1976 women welfare and department bureau was set up under the ministry of social welfare.

Sixth five-year plan (1980-1985) a visible shift in welfare to development was noticed. It recognised lack of access to resources as growth impeding factor.

Seventh five-year plan (1985-1990) need of gender equality and empowerment recognised. Emphasis was on qualitative aspects such as confidence inculcation, generation of awareness regards to rights and training in skills for better employment

Eighth five-year plan (1992-1997) focussed on women empowerment through Panchayati raj institutions.

Ninth five-year plan (1997-2002) women components plan was made, under this not less than 30% funds were marked for women specific programmes.

Tenth five-year plan (2002-2007) national policy of women empowerment (2001) aims at empowering women ensuring survival, protection and development of women and children through rights-based approach.

Eleventh five-year plan (2007-2012) give much emphasis on credit facilities, marketing facilities and technical training. Government programmes and marketing supports are provided through government industrial centres located in each district. 1.5 billion dollars was allotted for providing loans to women entrepreneur.

Twelfth five-year plan (2012-2017) gives more emphasis on removing the social and gender gap in school enrolment and education sector. It also worked on enhancement of higher access to education.

**KEY GOVERNMENT SCHEMES AND PROGRAMMES TO DEVELOP WOMEN ENTREPRENEURSHIP**

(i). Integrated Rural Development Programme (IRDP)- The main objective of IRDP is to increase the income generation capability of the women in the families below the poverty line. (ii). Training of Rural Youth for Self-Employment (TRYSEM)-TRYSEM is a sub – plan of IRDP. It gives training to the youth / young unemployed men & women for Self-employment. The trainees get a stipend of Rs. 150 per month during training period. In this programme 40 % of total seats are reserved for women. About 5 million women have been trained from its inception till now. (iii). Development of Women & Children In Rural Areas (DWCRA)-DWCRA is the Rural Development Department's scheme to support women's income generation activities through a group of 15 to 20 women each. This programme launched in 1982. The main objective of this programme is to strengthen the economy of rural women by giving them loan and economic assistance to develop their skills, efficiency and abilities to meet their liabilities effectively. (iv). Norwegian Agency for International Development (NORAD)- It was established in 1982 – 83 to help the educated & uneducated women financially in non-traditional areas of businesslike electronics, computer programming, manufacturing of watches, printing, readymade garments. About one million women were benefited by NORAD Programme. (v). Support to Training and Employment Programme- STEP was started in 1987 with the objective to provide training to rural women for increasing their production capacity and income generation. In this programme, they give training in the areas of traditional business like – agriculture, milk, fisheries, handlooms, khadi development. (vi). Assistance to Rural Women In Non – Farm Development (ARVIND)- The National Bank of Agriculture & Rural Development (NABARD) has started this programme. It provides loan up to Rs. 10 lakhs to the women who work collectively in agriculture for their economic development. (vii). Rashtriya Mahila Kosh (RMK)-RMK was established in 1992 with a fund of Rs. 31 Crore to meet the needs of poor women by giving them loans. RMK is also organizing training, apprenticeship and orientation programmes for trainers under the Indian Mahila Block Societies (IMPS). The objectives of RMK is that credit becomes a widely known and used facility for enhancement of the daily income of poor women. The experience of RMK is that the women would have been able to double or triple their daily income with the credit support of Rs. 2500 to Rs. 5000. The activities followed may be dairying, petty shop keeping and investment on the agricultural operations. (viii). Indira Mahila Yojna (IMY)-IMY was launched in August, 1995. Its main objective is to give a forward thrust to education, awareness, income generation capacity and empowerment to women. (ix). Self Employed Women's Association (SEWA) – This institution is based in Ahmadabad. SEWA guides women in rural areas in the use of their own resources to the maximum both physical and financial. It has helped many women from the rural areas of Gujarat and Rajasthan in marketing their hand embroidered Tie & Dye materials both in India and abroad. A commendable job of SEWA is where the rural women entrepreneurs are sent to countries like Australia, Europe and United States for promoting their products. (x). Self – Help Groups (SHG)- SHG's plays a vital role in rural development in general and for rural women in particular. Each SHG comprise 15 – 20 members & has a group leader. Each member of the group contributes money & kept in bank in the name of the Group. Group can obtain loan from the bank. The rules & regulation are developed by the group of members. The SHGs are linked with the banks for the external credit inflow. Self Help Group associate with micro credit is the element for the development of any country. 6.1 Other Schemes 1.Khadi And Village Industries Commission (KVIC) 2.Prime Minister's Rojgar Yojana (PMRY) 3.Entrepreneurial Development programme (EDPs) 4.Management Development programmes 5.Women's Development Corporations (WDCs) 6.Marketing of Non-Farm Products of Rural Women (MAHIMA) 7.Trade Related Entrepreneurship Assistance and Development (TREAD) 8.NGO's Credit Schemes 9.Micro & Small Enterprises Cluster Development Programmes (MSE-CDP). 10.National Bank for Agriculture and Rural Development 's Schemes 11.Rajiv Gandhi Mahila Vikas Pariyojana (RGMVP) 12.Priyadarshini Project- A programme for Rural Women Empowerment and Livelihood in Mid Gangetic Plains. 13. Mahila Samiti Yojana 14.Mahila Vikas Nidhi 15.Micro Credit Scheme 16.SIDBI's Mahila Udyam Nidhi 17.Mahila Vikas Nidhi 18.SBI's Stree Shakti Scheme.

**FEW SUCCESSFUL WOMEN ENTREPRENEURS OF INDIA – AN OVERVIEW**

This section gives brief profile of few successful Indian Women Entrepreneurs who established large scale and medium scale enterprises. (i) Dr. Kiran Mazumdar-Shaw, Chairman & Managing Director of Biocon Ltd. She established Biocon India with a capital of Rs.10, 000 in her garage in 1978 – the initial action was to extract an enzyme from papaya. She didn't get loan to expand the business as there is no such provision of loan to women entrepreneur in those days. By her strong intuition and perseverance, she fought well and today her company is the pharmaceutical firm in India. (ii) Mallika Srinivasan, Chairman and CEO of TAFE- Tractors and Farm Equipment. TAFE incorporated in 1960. When she joined TAFE, it's worth was US \$2million. Now it has grown to US \$1.6 Billion. This is

3rd largest tractor manufacturing company in the World. In 1999, she won India's first business women of the year award from BBC. In 2012, she awarded Forbes India Women leader of the year. (iii) Simone Tata – Chairman of TRENT Ltd. She is French by birth, wife of late Naval Tata and step mother of Ratan Tata. In 1960 she headed Lakme -a small subsidiary of Tata oil mills ltd. In 1996, it becomes India's leading cosmetics company. f fashion in India. At present she is the Chairperson of TrentLimited, a subsidiary of Tata Group. (iv) Dr.Preeta Reddy, Managing Director of Apollo Hospitals. Apollo Hospitals is one of the largest healthcare brands of India. Dr.Preeta Reddy, a cardiologist, joined Apollo in 1989. She is instrumental behind the growth of a small hospital in to one of the largest conglomerates. (v) Jyoti Ramnath – Founder of Crafymygift.com. She started this venture while she was studying at IIMBangalore. It provides exclusive gifts for customers on request. It has wide range of corporate customers in India. (vi) Vineeta Singh – Founder of Quetzal She is an Electrical engineer from IIT-Madras. Quetzal provides educational content to B-Schools and Secondary schools. It also runs India's largest MBA test preparation portal. (vii) Annamma JoesphKottukappally – Founder of AnnsAnns is the chain of bakeries and confectionaries in Kerala. In 1995 she started business. Today Anns is leading bakery chain in Kerala with revenue more than Rs.100 crores.

## 9. CONCLUSION

It's a welcome sign that women entrepreneurship participation has increased at a noticeable rate. Various strategies are being formed in the economy to brought the equal opportunities in all scopes for Indian women and laws are enacted with equal opportunities and rights in education, political processes and employment. But only a small section of women is benefitted by the government developmental activities and that is urban middle class which is more benefitted with government schemes. Rural Women Entrepreneurship should need some attention now. As Nearly 70% of workforce involved in agriculture related activities, rural women entrepreneurship development will empower women and improve village economy and as a whole improve country's economy. Awareness about available opportunities, Training programmes and financial assistance should be spread through media. Women entrepreneurship must be changed with updated entrepreneurial skills and training to meet the trends and challenges of global markets. It should also helps in excellence in entrepreneurial arena with competency to strive and sustain in the market. If everyone wants to come forward and support the women and understands their important role in business, then soon the conservative and thought process can be beat which is the greatest barrier in our country's development process

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