

# **Women Empowerment through Micro, Small and Medium Enterprise (MSMEs) In India**

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## **ABSTRACT**

The Purpose of this paper study how the women's are empowering through Micro, Small and Medium Enterprises in India. Women one time in this world were not considered to become entrepreneurs. Today the role of women entrepreneurs in nation well establish. In India 9 percent of total entrepreneurs in small industries are women entrepreneurs. The areas chosen by women are retail trade, restaurants, and hotels, education, cultural, insurance and manufacturing. The Micro, Small and Medium Enterprises (MSME) sector has been recognized as engine of growth all over the world. The main objective of associations is development of women entrepreneurship in the country showing an interest to be economically independent. Indian women well manage both burden of work in household front and meeting the deadlines at the work place. The women entrepreneurs are manufacturing the different products in India. There are many opportunities for women entrepreneurs but some of the problems are facing by the Indian women's today.

**Keywords:-Women, Entrepreneur, Empowering MSMEs, Indian Economy, Opportunities.**

## **I. INTRODUCTION**

The Micro, Small and Medium Enterprises (MSME) sector has been recognized as engine of growth all over the world. The Micro, small and medium enterprises are the back bone of the Indian economy. MSMEs are often acting as the nurseries for entrepreneurship and innovation. Its role is always important for India's economic growth and its development. This sector has always been looked upon a source of employment generation. MSMEs are not uniform across the globe. Micro, Small and Medium Enterprises (MSME) sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. MSMEs not only play crucial role in providing large employment opportunities at comparatively lower capital cost than large industries but also help in industrialization of rural & backward areas, thereby reducing regional imbalances, assuring more equitable distribution of

national income and wealth. The MSMEs fourth census found that Micro, Small and Medium Enterprises (MSME) contribute nearly 8 percent of the country's GDP. There are 30 million enterprises in various industries, employing 69 million people together, this account for 45% of the industrial output and 40% of the exports. They are providing the largest share of employment after agriculture. The MSMEs More than 94 percent of MSMEs are unregistered, with a large number established in the informal or unorganized sector.

**Definition of MSMEs under the 2006 Act:-**

<b>Manufacturing Sector (Investment in Plant &amp; Machinery)</b>	<b>ENTERPRISES</b>	<b>Service Sector (Investment in Equipments)</b>
Doesn't exceed Rs.25 lakh rupees	<b>MICRO</b>	Doesn't exceed 10 lakh rupees
More than 25 lakh rupees but doesn't exceed 5 crore rupees	<b>SMALL</b>	More than 10 lakh rupees but doesn't exceed 2 crore rupees.
More than 5 crore rupees but doesn't exceed 10 crore rupees	<b>MEDIUM</b>	More than 2 crore rupees but doesn't exceed 5 crore rupees

**Source: Ministry of Micro, Small and Medium Enterprises in India.**

## **II. REVIEW OF LITERATURE**

**International Finance Corporation (IFC):-** The growth and success of women-owned businesses is one of the most profound changes in the business world today. There is no doubt that women are an emerging market force.

**Small Industries Development Bank of India (SIDBI):-** Women entrepreneurship has been recognized as an important source of economic growth. Women entrepreneurs create new jobs for themselves and others and also provide society with different solutions to management, organization and business problems. Women's entrepreneurship can make a particularly strong contribution to the economic well-being of the family and communities, poverty reduction and women's empowerment, thus contributing to the Millennium Development Goals (MDGs) Small Industries Development Bank of India (SIDBI) has also been implementing special schemes for women entrepreneurs..

**Dr. M Danabakyam&Swapna Kurian ((2012):-**They discussed today the growth of MSMEs many women have plugged into entrepreneurship and also running their entrepreneurs successfully. based on their study they found that 50% of women's are engaged in sole proprietorship many respondents marketing their products nationally and internationally. Really they are empowering through MSMEs.

**Dr Dil Pazirand Shokit Hussain (2012):-** The author discussed his paper what is the rate of women participation as entrepreneurs removing gender based barriers and promoting competition and entrepreneurial activities with a specific focus on woman is essential for the creation of business and that ultimately improve the women's. He also examines what are the main constraints faced by the women MSMEs. With the help of MSMEs women's are empowering today.

**Dr Aman Deep Singh & Manisha Raina (2013):-** the authors discussed that in modern India more and more women are taking up entrepreneurial activity especially in Micro, Small and Medium Enterprises they also discussed about the problems and challenges faced by women entrepreneurs women participation in micro small and medium enterprises in among developmental goals and targets to reduce poverty improved family empowering with their economic status.

### **III. OBJECTIVES OF THE STUDY**

Based on the literature review the objectives are following in this study are

1. To study the how the Women's entrepreneurs empowering through Micro, Small and Medium Enterprises (MSMEs) in India.
2. To know what are the schemes providing by the government and how encouraging for Women entrepreneurs in India.

### **IV. RESEARCH METHODOLOGY**

This study is based on the secondary data. The secondary data collected from the relevant publications of Ministry of Micro Small and Medium Enterprises (MSMEs), different women's associations in India. Many times we interact with the women MSMEs entrepreneurs at MSMEs Vendor development programmes and different Articles, journals, books etc.

### **V. WOMEN ENTREPRENEURSHIP IN INDIA**

Many studies found that women face tough security requirement on their lines of credit than men. Women one time in this world they are not considered to become entrepreneurs. In 1970s women entrepreneurship began in its real sense. Educated women to fulfill their aspirations and ambitions began

for self employment. Eighties and nineties there is a change in women entrepreneurship domination. Today's days the women's are developed courage to make new beginnings. Their parents also developed a new thinking about their children's. The traditional practice of making only by men as a business partner in family owned business, now a day's parents taking their female children as partners in their business the governments also supported this new thinking by making amendments to successions act. Good percentage of women took to small business activities. Today we can see many women entrepreneurs in small business. So we can see many women in different types of industries, traditional as well as nontraditional such as engineering,electronics,readymade,fabric,toymaking,printing,knitting,jewelersdesigns,solarcookers.MSMEs are increasingly recognized as drivers of economic growth in developing countries. Globally, studies have shown that in middle income economies, SMEs contribute up to half of employment and as much. Women entrepreneurs create new jobs for themselves and others and also provide society with different solutions to management, organization and business problems. However, they still represent a minority of all entrepreneurs. Women entrepreneurs often face gender-based barriers to starting and growing their businesses, like discriminatory property, matrimonial and inheritance laws and/or cultural practices; lack of access to formal finance mechanisms; limited mobility and access to information and networks, etc.

### **Policies and Schemes for Empowering Women Entrepreneurs in India**

In India, the Micro, Small & Medium Enterprises development organizations, various State Small Industries Development Corporations, the nationalized banks and even NGOs are conducting various programmes including Entrepreneurship Development Programmes (EDPs) to cater to the needs of potential women entrepreneurs, who may not have adequate educational background and skills. The Office of DC (MSME) has also opened a Women Cell to provide coordination and assistance to women entrepreneurs facing many problems. There are also several other schemes of the government at central and state level, which provide assistance for setting up training-cum-income generating activities for needy women to make them economically independent. Small Industries Development Bank of India (SIDBI) has also been implementing special schemes for women entrepreneurs. In addition to the special schemes for women entrepreneurs, various government schemes for MSMEs also provide certain special incentives and concessions for women entrepreneurs. For instance, under Prime Minister's Rozgar Yojana (PMRY), preference is

given to women beneficiaries. The government has also made several relaxations for women to facilitate the participation of women beneficiaries in this scheme. Similarly, under the MSE Cluster Development Programme by Ministry of MSMEs, the contribution from the Ministry of MSMEs varies between 30-80% of the total project in case of hard intervention, but in the case of clusters owned and managed by women entrepreneurs, contribution of the MSMEs could be up to 90% of the project cost. Similarly, under the Credit Guarantee Fund Scheme for Micro and Small Enterprises, Some of the special schemes for women entrepreneurs implemented by the government

- **Schemes of Ministry of MSMEs**
  - Trade related entrepreneurship assistance and development (TREAD) scheme for women
  - Mahila Coir Yojana
- **Schemes of Ministry of Women and Child Development**
  - Support to Training and Employment Programme for Women (STEP)
  - Swayam Siddha
- **Schemes of Kerala State Women's Development Corporation**
  - Self employment loan programmes
  - Educational loan schemes
  - Single women benefit schemes
  - Job oriented training programmes
  - Marketing support for women entrepreneurs
  - Auto rickshaw / school van's driver scheme
- Kerala Government's Women Industries Programme
- Delhi Government's Stree Shakti Project
- Schemes of Delhi Commission for Women (Related to Skill development and training)
- Incentives to Women Entrepreneurs Scheme, 2008, Government of Goa
- Magalir Udavi Scheme, Pudhucherry Government
- Financing Schemes by Banks/ Financial Institution's

### **Classification of MSMEs/SSI units in India on the basis of registration**

<b>S.L.No</b>	<b>Gender</b>	<b>Registered Units (In Lakhs)</b>	<b>Unregistered Units (In Lakhs)</b>	<b>Total</b>
1.	Men	12.37 (13.08)	82.20 (86.92)	94.57 (100)
2.	women	1.38 (12.93)	9.26 (87.07)	10.64
<b>TOTAL</b>		13.75(13.07)	9.26(86.93)	105.21(100)

**Source: Science Tech Entrepreneur, May 2007, Technopreneur**

### **VI. WOMEN ENTREPRENEURS ASSOCIATIONS FOR EMPOWERING WOMEN'S IN INDIA**

The efforts of government and its different agencies are supplemented by NGOs and associations that are playing an equally important role in facilitating women empowerment. List of various women associations in India is provided in the table below. The women entrepreneurs associations are non-profit organizations the purpose of this associations promotion and development of women enterprises. The main activities are

- To organize entrepreneurial skills development programmes, management development programmes in different fields for women's.
- To motivating the women entrepreneurs.
- Guiding the women entrepreneurs to access finance from banks/financial institutions.
- To implement schemes, projects for women with the objective of development through MSMEs.
- To undertake social activities for the development of women.
- The objective of the organization is to foster the Economic Empowerment of Women, particularly the SME segment, by helping them to become successful entrepreneurs and become a part of the mainstream industry.
- The main objective of associations is development of women entrepreneurship in the country.

### **Details of Women Entrepreneur Associations in India**

To encourage the women's entrepreneurship in India many associations established and they are the non-profit organizations they also provide training for the women entrepreneurs. Some of the associations are

- Federation of Indian Women Entrepreneurs (FIWE),
- Women entrepreneurs association for MSMEs development(WEAMD), Hyderabad,
- Consortium of Women Entrepreneurs(CWEI),
- Association of Lady Entrepreneurs of Andhra Pradesh,
- Association of Women Entrepreneurs of Karnataka (AWAKE),
- Self-Employed Women's Association (SEWA), Women Entrepreneurs Promotion Association (WEPA),
- The Marketing Organization of Women Enterprises,
- Bihar Mahila Udyog Sangh Bihar Mahila Udyog Sangh,
- Mahakaushal Association of Woman Entrepreneurs (MAWE),
- SAARC Chamber Women Entrepreneurship Council and
- Women Entrepreneurs Association of Tamil Nadu (WEAT).

### **State wise distribution of MSMEs/ SSIs units owned by women entrepreneurs**

The below table we can observe how the Indian women's are empowering through business day by day they are entering the MSMEs business the highest state in India is Kerala has 1, 39,225 the lowest state is Sikkim 98, but we can see the total Indian women's MSMEs enterprises are 10, 63,721 we can observe that women's are also competition with the men's they are also getting profits also they are providing employment to another women's in India.

S.I No	State/Union Territory	No. of MSMEs/SSI Units	Percentage to Total
1.	Kerala	1,39,225	13.09
2.	Tamil Nadu	1,29,808	12.20
3.	Karnataka	1,03,169	9.70
4.	Maharashtra	1,00,670	9.46
5.	Andhra Pradesh	77,166	7.25
6.	Uttar Pradesh	72,667	6.83

7.	West Bengal	69,625	6.55
8.	Madhya Pradesh	68,823	6.47
9.	Gujarat	53,703	5.05
10.	Bihar	49,443	4.65
11.	Orissa	38,233	3.59
12.	Rajasthan	36,371	3.42
13.	Punjab	29,068	2.73
14.	Delhi	14,383	1.35
15.	Assam	11,757	1.11
16.	Manipur	10,745	1.01
17.	Chhattisgarh	10,034	0.94
18.	Haryana	9,620	0.90
19.	Uttaranchal	8,804	0.83
20.	Jharkhand	7,865	0.74
21.	Jammu and Kashmir	5,742	0.54
22.	Himachal Pradesh	3,722	0.35
23.	Mizoram	3,700	0.35
24.	Meghalaya	3,580	0.34
25.	Chandigarh	2,243	0.21
26.	Pondicherry	1,064	0.10
27.	Tripura	863	0.08
28.	Goa	810	0.08
29.	Daman, Diu , Dadra and Nagarhaveli	213	0.02
30.	Nagaland	179	0.02
31.	Arunachal Pradesh	150	0.01
32.	Andaman and Nicobar Island	110	0.01
33.	Sikkim	98	0.01
34.	Lakshadweep	67	0.01
<b>ALL INDIA</b>		<b>10,63,721</b>	<b>100</b>

**Source: Science Tech Entrepreneur, May 2007, Technopreneur**

## **VII. PRODUCTS MANUFACTURING BY THE WOMEN MSMEs ENTREPRENEURS IN INDIA**



The women entrepreneurs are gathering and they are establishing women entrepreneurs association for MSMEs development in India. They like a dream come true for the prospective women entrepreneurs to set up enterprises to earn their livelihood and also to give employment to others. The Indian government and non government organizations also giving strong support these associations for the purpose of the promotion and development of women through entrepreneurship, financial assistance through banks for enterprises. The women entrepreneurs are manufacturing the different products such as:-

Garments Manufacturing, Synthetic bags, Woven bags, Fancy cloth bags, Bakery food products, Cosmetics ,Soft toys, Printed sarees, Chocolate making, Fabric painting, Women fashions designs, Embroidery work, Sarees rolling, Flower bouquet making,Fashion designs for men's,Plastic products,Wooden products,Fancy flowers,Screen printing,Cloth printingSolar systems,Pickles &chutneys,Agarbattis ,jewelers making, Wax candles and knitting.

#### **VIII. PROBLEMS ENCOUNTERING WOMEN ENTREPRENEURS IN INDIA**

Women entrepreneurship is every day growing and many women's they want new challenge and opportunities for self employment and they want to prove innovative and competitive job. Also they want to change to control the balance between their families' responsibilities of their lives. There are many opportunities for women entrepreneurs but some of the problems are facing by the Indian women's today they are;

- Lack of business training,
- Start up finance,
- Working capital management,
- Access to technology,
- Lack of confidence,
- Lack of collateral requirements,
- Marketing,
- Lack of experience in financial planning and
- Lack of management skills.

## **IX. CONCLUSION**

Today many women's are entering in to business they are doing business equal to means they are also obtaining profits of their business really MSMEs are the empowering the women's in India. In India 9 percent of total entrepreneurs in small industries are women entrepreneurs. Women, one time in this world, were not considered to become entrepreneurs. The role of women entrepreneurs in our country well established. Today the role of women entrepreneurs in nation well establish. In India 9 percent of total entrepreneurs in small industries are women entrepreneurs. The Micro, Small and Medium Enterprises (MSME) sector has been recognized as engine of growth all over the world. MSMEs fourth census found that Micro, Small and Medium Enterprises (MSME) contribute nearly 8 percent of the country's GDP. Today we can see many women entrepreneurs in small business. In addition to the special schemes for women entrepreneurs, various government schemes for MSMEs also provide certain special incentives and concessions for women entrepreneurs. Really the MSMEs are empowering the women's and they are providing self-employment for many women's in India.

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