

ROLE OF WOMEN ENTREPRENEURS IN MSME IN THE CURRENT SCENARIO

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Abstract

In the modern economy, female entrepreneurs are becoming as a powerful instrument to support rural employment. Women who start, plan, and operate a business are considered to be entrepreneurial women. Supporting women as an entrepreneurs in one family is one of the most successful and important ways to raise societal standards for health, nutrition, hygiene, and education. For the purpose of eliminating poverty and strengthening women in society, the Micro, Small and Medium Enterprises (MSME) have developed more connected services. Many Women are employed by MSME. It is regarded as an employment industry that also does a good job of encouraging entrepreneurship. This industry uses local resources and usually requires little capital to accomplish its goals. All these advantages make it possible for women from all situations to follow their goals of entrepreneurship. This study aims to investigate the percentage of MSMEs operated and owned by women entrepreneurs, to represent successful female entrepreneurs, and to analyze the several generating and limiting forces in their business operations in the current scenario.

Key words: Women entrepreneurship, micro, small and medium enterprises, women entrepreneurs.

Introduction

Women who start, manage, plan, and operate a business are considered to be entrepreneurial women. In the past, our society did not place much value on women entrepreneurs. Over time, numerous women managed to break free from the four walls and engaged in entrepreneurship, and now, there are still a comparatively high proportion of female entrepreneurs have difficulty overcoming societal, economic, and political obstacles in their goal to become entrepreneurs. According to the United Nations Industrial Development Organization, women's entrepreneurial activities, whether they occur in small- or medium-scale production activities, in the formal or informal sectors, have favorable social ramifications for the women themselves and their social milieu (UNIDO). In many civilizations, women frequently do not have the same opportunities as men. Women's access to healthcare and education has improved significantly in many transitional countries, but female business owners still have few political and economic options. Coordinated efforts are needed to guide female business owners in improving their financial choices and building competitive businesses. Thus, working women have a significant impact on the economy and national income, by ensuring that families and communities around the globe can maintain a sustainable and reasonable standard of living.

Micro, Small, and Medium Enterprises

The Micro, small and Medium Enterprises (MSME) area has arisen as an exceptionally lively and dynamic area of the Indian economy throughout the course of recent many years. It contributes altogether in the monetary and social improvement of the nation by cultivating business and creating huge work open doors at nearly lower capital expense, next just to agribusiness. MSMEs are corresponding to enormous businesses as auxiliary units and this area contributes fundamentally in the comprehensive modern advancement of the country. The MSMEs are broadening their space across areas of the economy, delivering different scope of items and administrations to satisfy needs of homegrown as well as worldwide business sectors. The Service of Micro, small and Medium Enterprise (M/o MSME) imagines a dynamic MSME area by advancing development and improvement of the Area, including Khadi, village and Coir Industries, in participation with concerned Services/Divisions, State Legislatures and different Partners, through offering help to

existing endeavors, taking on state of the art advancements and empowering production of new ventures. Various legal and non-legal bodies work under the aegis of the Service of MSME. These include the Khadi and Village Industries Commission (KVIC) and the Coir Board besides National Small Industries Corporation (NSIC), National Institute for Micro, Small and Medium Enterprises (NIMSME) and Mahatma Gandhi Institute for Rural Industrialization (MGIRI). The Service of MSME runs different plans focused on monetary help, innovation help and up gradation, framework improvement, ability advancement and preparing, improving intensity and market help of MSMEs. MSMEs play a hugely important role in India, where they account for almost 6% of the GDP, 33% of manufacturing, and 45% of exports. One of the development goals is to increase women's participation in MSMEs, which aims to decrease poverty, enhance family health, and elevate women's economic status. Many Women are employed by MSME. It is regarded as an employment industry that also does a good job of encouraging entrepreneurship. This industry uses local resources and usually requires little capital to accomplish its goals. All these advantages make it possible for women from all situations to follow their goals of entrepreneurship.

Government Schemes for Women Entrepreneurs

The government of India around the country are offering enticing incentives to support women entrepreneurs in their businesses and make it easier for them to obtain financing. The following are the various MSME schemes offering financial assistance to women entrepreneurs

Pradhan Mantri Mudra Yojana: This scheme was initiated by central government. Under this scheme, ladies business visionaries can get credits going from Rs 50,000 to Rs 10 lakh with straightforward compensation terms. It is managed by the Micro Units Development and Refinance Organization (MUDRA) and gives credits to endeavors in the production, exchanging, and service areas.

Pradhan Mantri Rozgar Yojana: Women entrepreneurs can receive financial assistance under this scheme and grow their business. Women in all industries, new businesses, and services will benefit from this scheme. This program basically centres on engaging ladies by giving credits to assist them with turning out to be monetarily independent. Agriculture is the predominant activity included in the system, which also envelops all business alternatives. The most important feature of this scheme is that it offers a 15% discount on project costs, up to a maximum of INR12500 per person.

Trade Related Entrepreneurship Assistance and Development (TREAD) Scheme: This program endeavors to engage ladies by loaning cash to drives, giving specific preparation, guiding, and assembling data on applicable requirements. The scheme allows the government to provide a grant of up to 30% of the overall project cost, as determined by financial institutions. The remaining 70% would be financed by these institutions.

Annapurna Yojana: Many women are fantastic cooks and may make money by starting a catering business. This Indian government program for female entrepreneurs intends to assist women who want to launch a catering business. Women can borrow up to Rs 50,000 under the Annapurna scheme. This loan has a 36-month repayment period and requires collateral and a guarantor for acceptance. Annapurna loans are sanctioned against collateral security.

Udyogini Scheme: This program is designed for women who need to lay out their own business however don't have any idea where to start. The GOI initiates this plan for ladies who have a place with a family that procures not as much as INR 1.5 lakhs each year, with no bifurcation against widowed, poor, or disabled women. The plan gives up to Rs 3 lakhs in money, with a low-loan cost. The objective is to help ladies in becoming independent by making their own undertakings, especially weaker nations. Through loan subsidies, women can embark on a path of business.

Cent Kalyani Scheme: This plan channeling MSME loans for new businesses will be extremely advantageous to women who work in MSMEs. This program is specially designed for women who have an urge to run or want to start a small business. The Central Bank of India is credited with initiating this scheme, which is known as the Cent Kalyani Scheme. Women who benefit from this program are the people who work in farming or in retail. This plan offers advances

going from Rs 1 crore with no security or under the concept of surety. In addition, the Cent Kalyani Scheme’s business loan interest rate is determined by market conditions.

Women Entrepreneurship Platform (WEP)

- The Indian Government through NITI Aayog has begun a drive called the Ladies Business venture stage that unites ladies business people and backers ready to help them, across the board place. The accompanying advantages can be profited through WEP
- Incubation and acceleration program for organizations in their underlying stages.
- Entrepreneurship and leadership can learn through skill training campaigns and mentorship programs.
- Assistance in marketing
- Support for ensuring compliance with laws and regulations
- Funding and financial assistance
- A community and network chain of compatible women.

Current Scenario of Women Entrepreneurs in MSME

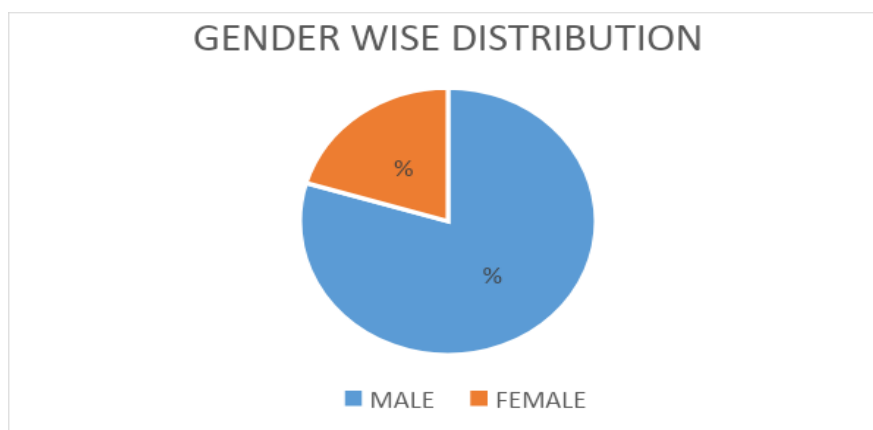
In many underdeveloped countries, women are considered to be being a powerful factor in transforming lives and eliminating poverty. Their presence is essential for the growth of entrepreneurship in nations like India because it helps women entrepreneurs' Micro small- and medium-sized enterprises grow and support their professional careers. Both men, as well as women face difficulties, women have barriers to overcome than men. Under the Prime Minister's Employment Generation Programme (PMEGP) Scheme, women entrepreneurs have launched 1.38 lakh projects. Approximately 30% of all PMEGP projects were started by women entrepreneurs. Women business owners are covered under the program's Special Category and are eligible for 25% and 35% in subsidies, respectively, for projects put up in urban and rural regions. In the year 2021-22, there were 608.41 lakh (95.98%) MSMEs were proprietary concerns. The male is playing a dominating ownership in MSMEs. Thus, for proprietary MSMEs as a whole, male owned 79.63% of enterprises as compared to 20.37% owned by female. There was no significant deviation in this pattern in urban and rural areas, although the dominance of male owned enterprises was slightly more pronounced in urban areas compared to rural areas (81.58% as compared to 77.76%).

Table 1: Percentage distribution of enterprises owned by Male/ Female entrepreneurs in rural and urban areas

Sector	Male	Female	All
Rural	77.76	22.24	100
Urban	81.58	18.42	100
All	79.63	20.37	100

Source: MSME Annual report 2021-22

Figure 1: Gender wise Distribution



Source: MSME Annual report 2021-22

From the above Figure it is observed that 79.63% ownership was owned by male entrepreneurs and women hold 20% of ownership in MSME.

Suggestions

Although women business owners make a significant contribution to economic growth and rural development, their full potential has not yet been realized when compared to male entrepreneurs. The efforts listed below can be considered for the effective growth of female entrepreneurs.

1. There are several government initiatives and plans to support female entrepreneurs, but their implementation on the ground is lacking. These programmes should be closely watched at all stages of implementation.
2. The government should set up training programmes to foster leadership, professional abilities, marketing knowledge, and financial literacy at the village level.
3. Vocational training that enables women to comprehend the production process and production management should be made available to them.
4. Information regarding policies should flow in the proper direction with the aid of NGOs and government organisations.
5. COVID-19 special relief announced by the Govt. of India in first tranche of economic package on May 13, 2020, Collateral free loan of INR 3 trillion for 4.5 million units, debt provision of INR 200 billion (US\$2.65 billion) has been announced for 200,000 MSMEs, Equity infusion worth INR 500 billion, A reduction of 25 percent on the Tax Deducted at Source (TDS) and Tax Collected at Source (TCS) from May 14, 2020 to March 31, 2021 & extended the date of income tax filling return from July 31, 2020 to December 31, 2020.

Conclusion

Despite all of the difficulties that modern working women face, there has been a remarkable rise in female entrepreneurship in India. More women than ever before in India's history have higher incomes than earlier generations. They are reaching new professional heights and are at the forefront of the business sector's expansion of entrepreneurship and new business concepts. They will require access to the necessary education, training, credit, information, and, most importantly, motivation to overcome the challenges. The MSME sector is considered to be one such platform that empowers women to become entrepreneurs. The number of women running MSMEs in India has steadily increased up till now, and we believe that if the government helps them and the society supports them, the difficulties they are currently encountering can be solved and the growth rate will definitely improve in the future. There has for some time been no question that women are similarly as fit for business accomplishment as men, however cultural hindrances have forever been critical, and these projects intend to assist conquer those obstructions and construct a more grounded country with a genuine free market economy.

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