

ENTREPRENEURSHIP DEVELOPMENT ACTIVITIES FOR WOMEN IN INDIA

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ABSTRACT

The growth and development of women entrepreneurs have accelerated because entrepreneurial development is not possible without active participation of women.

So a suitable environment has been created for growth of women entrepreneurs. Because of the importance of women entrepreneurs, a number of institutions have emerged for growth of women entrepreneurs like SIDBI, SIDO, NABARD, CWI, WIT, SEWA, SHGs, FIWE, Ministry of Women Empowerment, MSME.

This article discusses about the various development plans for women entrepreneurship in India like integrated infrastructural development Scheme, Trade Related Entrepreneurship Assistance and Development (TREAD), Micro and Small Enterprises Cluster Development Programme (MSE-CDP)

Women entrepreneurship must be moulded properly with entrepreneurial traits and skills to meet the changes in trends, challenges global markets and also be competent enough to sustain and strive for excellence in the entrepreneurial arena.

Key Words: SIDBI, Women Enterprise, TREAD, MSME, SHGs

INTRODUCTION

Women entrepreneurship development is an essential part of human resource development. The development of women entrepreneurship is very low in India, especially in the rural

areas. Entrepreneurship amongst women has been a recent concern. Women have become aware of their existence their rights and their work situation. However, women of middle class are not too eager to alter their role in fear of social backlash. The progress is more visible among upper class families in urban cities.

According to the policy measure announced in Parliament on 06.08.1991, the definition of 'Women Enterprises' is as follows:

" 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".

TRAINING OF WOMEN ENTREPRENEURS

Field Institutes of SIDO conduct need based programmes for existing and prospective entrepreneurs. During 2006-07 (up to December, 2006), 10050 women participated in various training programmes like Entrepreneurship Development Programme (EDP), Management Development Programme (MDP), Skill Development Programme (SDP), and Industrial Motivational Campaign (IMC). Autonomous Bodies under his Ministry also conducted various short-term/long-term training programmes in footwear technology, tool and dye making and other allied industries. These institutes provided training to 20280 women.

WOMEN EMPOWERED UNDER INTEGRATED INFRASTRUCTURAL DEVELOPMENT SCHEME

Association of Lady Entrepreneurs of Andhra Pradesh (ALEAP), an NGO comprising women member only, has successfully completed the implementation of an IID project at village Gajularamaram, Distt. Rangareddy, A.P. in this, 75 units have been established and employment generated by these units is 1500 women. Out of the total project cost of Rs. 347 lakh, Govt. of India provided grant to the tune of Rs. 139 lakh.

Another IID project at Vijaywada in District, Krishna, A.P. is being implemented by ALEAP. The total project cost is Rs. 370 lakh and Government of India grant of Rs. 91.38 has been released for this project.

TRADE RELATED ENTREPRENEURSHIP ASSISTANCE AND DEVELOPMENT (TREAD) FOR WOMEN

Traditionally, women have been amongst the most disadvantaged sections of our society with regard to access to and control over resources. Problems faced by them continue to be grave particularly for illiterate and semi-literate women of rural and urban areas. Apart from counselling and training, availability of credit poses the most serious problem for the poor women. In order to alleviate their problems, the Ministry of Small Scale Industries (SSI) in the Government of India has launched a scheme titled “Trade Related Entrepreneurship Assistance and Development” (TREAD) for economic empowerment of women through the development of their entrepreneurial skills in non-farm activities.

The three main components of this scheme are as under:

- (i) Assistance in the form of the Government of INDIA (GoI) grant of up to 30 per cent of the total project cost, as appraised by the lending agency, is provided to the Non Governmental Organisations (NGOs) for promoting entrepreneurship among target groups of women. The remaining 70 per cent of the project cost is financed by the lending agency as loan for undertaking activities as envisaged in the project.
- (ii) Selected training institutions and NGOs conducting training programmes for empowerment of women beneficiaries identified under this scheme can also avail GoI grant of up to Rs. 1.00 lakh per programme, for imparting training to the women entrepreneurs, provided such institutions also bring their share of at least 25 per cent of the grant. However, NGOs except from the North Eastern Region (NER), would be allowed to conduct training programmes only after they take up some lending proposals under this scheme.
- (iii) Need-based GoI grant up to Rs. 5 lakh per project is provided to National Entrepreneurship Development Institutions (EDIs) viz. National Institute of

Entrepreneurship Training (NISIET), National Institute of Entrepreneurship and Small Business Development (NIESBUD), Indian Institute of Entrepreneurship (IIE), EDIs sponsored by the State Government, Small Industries Service Institutes (SISIs), and any other institution of repute primarily for undertaking field surveys, research studies, evaluation studies, designing of training modules, etc.

OTHER SCHEMES FOR THE DEVELOPMENT AND PROMOTION OF WOMEN ENTREPRENEURS

According to the Third All India Census of Small Scale Industries conducted in 2001-02 and subsequent estimates made, only 10.11% of the Micro and Small Enterprises in India are owned by women while 9.46% of the MSE enterprises are managed by women. In order to encourage more and more women enterprises in the MSE sector, several schemes have been formulated by this Ministry and some more are in the process of being finalized, targeted only at the development of women enterprises in India.

1. MICRO AND SMALL ENTERPRISES CLUSTER DEVELOPMENT PROGRAMME (MSE-CDP)

a) Existing Clusters:

A cluster is defined as a group of enterprises, ideally having 100 members, producing same/similar products/services. While 100 members could be the minimum per cluster, depending on the density of population and other factors, even 200-300 could be a good target group for undertaking Diagnostic Study and the subsequent Soft Interventions in a cluster. However, in difficult and backward regions the target numbers could come down to 50 or less but it should not be too small as a lot of Government expenditure is made per cluster. The Cluster Development Programme (CDP) being implemented envisages diagnostic study of identified clusters of traditional skill-based MSEs to identify appropriate technologies and their providers and to facilitate adoption of available technology meeting the specific needs of the end users. The Cluster Development aims at

enhanced competitiveness, technology improvement, adoption of best manufacturing practices, marketing of products, employment generation etc. The scheme provides assistance for capacity building, common facilities, marketing etc. the delivery, assimilation and diffusion of the identified technology from its producers to the recipient user/cluster of small enterprises.

TYPE OF INTERVENTIONS

- I. Soft Intervention - capacity building activities in the cluster where no fixed asset is acquired or formed. Soft interventions, inter alia, include
 - i. Diagnostic study,
 - ii. Forming association- Trust building & Developing Identity,
 - iii. Capacity building,
 - iv. Organising workshops, seminars,
 - v. Training and Exposure visits,
 - vi. Market development,
 - vii. Launch of Website,
 - viii. Common procurement,
 - ix. Common/complementary sales and branding;

In the past depending upon the type of cluster, assistance available for soft interventions has varied in the range of Rs.25-35 lakh per cluster.

- II. Hard Interventions – Hard Interventions, inter alia, include:
 - i. Setting up of Common Facility Centre (CFCs),
 - ii. Mini Tool Room,
 - iii. Design Centre,
 - iv. Testing Facilities,
 - v. Training Centre,
 - vi. R&D Centre,
 - vii. Common Raw Material Bank/Sales depot etc.
 - viii. Display/Exhibition Centre

In case of the hard intervention the contribution from the M/o MSME varies between 30-80% of the total project cost, but in the case of clusters owned and

managed by women entrepreneurs, contribution of the M/o MSME could be up to 90% of the project cost.

b) Creation of physical infrastructure

This Ministry implemented the IID Scheme to provide developed sites with the infrastructural facilities like power distribution network, water, telecommunications, drainage and pollution control facilities, roads, exhibition/display centres, raw materials, storage and marketing outlets, common service facilities and technological back-up services, etc. this scheme has been subsumed in the MSME-Cluster Development programme. All the features of IID Scheme have been retained. To create physical infrastructure exclusively for women enterprises central grant of 40% of the project cost subject to a maximum of Rs.2 crore is available. The Ministry of MSME is making efforts to enhance the quantum of grant to 80% in a project of Rs.10 crore.

Operationalisation of the Scheme:

- i) A Cluster Development Executive (CDE) is required for executing and monitoring all soft interventions in a cluster. Normally, a CDE can be a DIC Officer/MSME-DI officer/retired expert or even hired person from Non-Government Sector.
- ii) The hard interventions in a cluster and creation of physical infrastructure require setting up a user's body/special purpose vehicle which could be society/trust/company to be formed by the cluster beneficiaries.

2. CREDIT GUARANTEE FUND SCHEME FOR MICRO AND SMALL ENTERPRISES

The Scheme was launched in August 2000 to ensure better flow of credit to micro and small enterprises by minimizing the risk perception of financial institutions and banks in lending without collateral security. Under the scheme, guarantee cover is provided to collateral free credit facility extended by member lending institutions (MLIs) to the new as well as existing micro and small enterprises on loans up to Rs.50 lakh.

The guarantee cover is up to 75% of the loans extended. The extent of guarantee cover is 80% for:

- (i) Micro enterprises for loans up to Rs.5 lakh;
- (ii) MSEs operated and/or owned by women; and
- (iii) All loans in the North-East Region. The lending institutions availing guarantee from the Trust have to pay one time guarantee fee of 1.5% and service charges of 0.75% per annum of the credit facility sanctioned.

For loans up to Rs.5 lakh, the one time guarantee fee is 1% and service charges are 0.5% per annum of the credit facility sanctioned.

3. SUPPORT FOR ENTREPRENEURIAL AND MANAGERIAL DEVELOPMENT

MSME-DIs regularly organize a number of Entrepreneurship Skill Development Programme (ESDPs)/ Entrepreneurship Development Programme (EDPs)/ Management Development Programmes (MDPs) to train the potential entrepreneurs in improving their techno/managerial knowledge and skill with a view to facilitating them to start MSEs in various fields.

Many of the programmes are tailor made for the target group for SC, ST, OBC, Women, Minorities and other weaker sections and exclusively for women also. These programmes are also called “Out-reach Programmes” as they are conducted in rural/less developed areas. 22.5% of total target of ESDPs/EDPs are conducted exclusively for SC, ST, Women and Physically Challenged persons with a stipend of Rs.500/- per month per candidate under the Promotional Packages for MSEs. No fee is charged from SC/ST, Women and Physically Handicapped. No fee is charged from SC/ST and 50% fee from Women and Physically Handicapped candidates who attend the ESPD/EDP/MDP courses conducted for general candidates.

4. EXHIBITION FOR WOMEN UNDER PROMOTIONAL PACKAGE FOR MICRO & SMALL ENTERPRISES APPROVED BY CCEA UNDER MARKETING SUPPORT

DC (MSME) has formulated a scheme for women entrepreneurs to encourage Small and Micro manufacturing units owned by women and register in DI/DIC in their efforts at tapping and developing overseas markets, to increase participation of representatives of small/micro manufacturing enterprises under MSME stall at International Trade Fairs/Exhibitions, to enhance export from such units. Under this scheme, participation of women entrepreneurs in 25 international exhibitions is envisaged during the 11th Plan (2007-2012).

With a view to encourage women entrepreneurs to participate in the International Exhibitions under MDA scheme it has been decided to:

- i) Provide rent free space (6/9 sq mts) in the exhibitions
- ii) Reimburse 100% economy class air fare for one representative.

The overall ceiling however shall be Rs. 1.25 lakh.

CONCLUSION

Entrepreneurship among women, no doubt improves the wealth of the nation in general and of the family in particular. Women today are more willing to take up activities that were once considered the preserve of men, and have proved that they are second to no one with respect to contribution to the growth of the economy. Women entrepreneurship must be moulded properly with entrepreneurial traits and skills to meet the changes in trends, challenges global markets and also be competent enough to sustain and strive for excellence in the entrepreneurial arena.

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