

An Empirical Study on Women Entrepreneurship in India

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Abstract

Entrepreneurship is said to play a major role for employment generation, reduction of country's imbalance and economic development of the country. "It is time for not only women empowerment but for women led development"- Shri Narendra Modi (Honorable PM GOI). In today's world, women entrepreneurs are playing very vital role and they have become important part of the global business environment and it is important for the sustained economic development and social progress. In India, though women are playing key role in the society, but still their entrepreneurial ability has not been properly tapped due to the lower status in the society. The purpose of this article is to understand the challenges faced by the women of the country, at a glance of few successful women who have overcome these challenges and have become successful women entrepreneurs. on the basis of this study some suggestions are given to encourage spirit of women entrepreneurship to become a successful entrepreneur.

Key words: Women, Entrepreneurs,

INTRODUCTION

The Indian economy has grown steadily over the last decade, and there has been a parallel surge in the number of startups and new businesses in the country. A majority of these have been founded by men. While many Indian women have ambitions towards entrepreneurship, it is often more difficult for them to succeed. In fact, India's has been found to be in group of countries where women business owners struggle with less favorable conditions, pronounced cultural biases, and a lack of business resources such as finance, capital, training, and development.

A society in which women cannot realize their full potential loses out on the significant potential for innovation, economic growth, and job creation. For instance, a recent study showed that in India, measures to close the gender gap could lead to a 6.8% gain in GDP. Another study estimated that advancing women's equality in India could boost its GDP by \$0.7 trillion in 2025 or 16% as compared to the 'Business as usual' scenario. Moreover, entrepreneurship remains critical to harness the economic potential of women and thus, achieve the sustainable development goals (SDGs) by 2030.

This issue brief seeks to provide a comprehensive overview of the situation of women entrepreneurs in India. To this end, it gathers information on the share of businesses that are started by Indian women, and in which sectors and states they are active. It explores the underlying reasons that makes it difficult for Indian women to succeed and offers recommendations for pushing women's entrepreneurial empowerment.

Right efforts in all areas are vital in the development of women entrepreneurs and their greater involvement in the entrepreneurial activities.

REVIEW OF LITERATURE

A study on women entrepreneurs was carried out by **Sarayadhi** and **Begam** (1995)¹⁹. It was a survey conducted on 415 women entrepreneurs in Kerala, who were engaged in a variety of business enterprises. The survey presents the socio-economic profile, nature of enterprise and information about the Government and Non-Governmental institutional support.

Neetima et al., (2000) in their work, "Training Women for Entrepreneurship" emphasized that good training programme keeps the trainees involved and motivated. Women should be trained in all aspects to get success. Rural women are generally not confident and are very much bound by customs and traditions; therefore, the trainer should be a friend, philosopher and guide to help them come out of their shackles of life. Empowerment training is most important of all trainings, which helps for the entire development of rural women for self-employment.

Promila Kapur (1974)⁴⁸ in her work on "The Changing Status of Working Women in India" opines those women belonging to middle and upper classes are now conscious of their legal and

political rights. They are desirous of acquiring knowledge and skills and they have an economically independent status. Further, the author has explained the problems and difficulties faced by these women in their new roles.

Women Entrepreneurs in India

On an individual level, some women have strong entrepreneurial ambitions. Interestingly, several of the interview's partners mention that they got inspired by male role models such as Bill Gates or Steve Jobs, or that they were introduced to the "Start Up World" by their male friends who are entrepreneurs.

Self-esteem, recognition, self-determination and career goal are the key drivers for choosing to entrepreneurship by women. Sometimes, women choose such career paths for providing their potential, caliber in order to achieve self-satisfaction. However, dismal economic condition of the women arising out of unemployment in the family and divorce can compel women into entrepreneurial activities.

The days have gone when women always passed her whole life within the boundaries of house now women are found indulged in every line of business. The entry of women into business in India is an extension of their normal home activities. But with the spread of education and passage of time a woman started shifting from doing work at home or kitchen to the business venture. Skill, knowledge and adaptability in business are the main reasons for women to emerge into business venture. Women Entrepreneur is a person who accepts challenging role to meet her personal needs and become economically independent. A strong desire to do something positive is an inbuilt quality of entrepreneurial women, who is capable of contributing values in both family and social life. With the advent of media, women are aware of their own traits, rights, and the work situation. The challenges and opportunities provided to the women of digital era are growing rapidly that the job seekers are turning into job creators. Many women start a business due to some traumatic event, such as divorce, discrimination due to pregnancy or the corporate glass ceiling, the health of a family member or economic reason such as lay off. But a new talent pool of women entrepreneurs is forming today, as more women opt to leave corporate world to chart their

own destinies. Women entrepreneurs were concentrated in traditional and informal sectors of the Indian Economy. But over the past decade women entrepreneurs are also diversifying themselves in contemporary and emerging sectors. They are growing as designers, interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation.

Causes of Low Female Entrepreneurship Rates

1. Unconscious gender bias.
2. Confidence and business skills.
3. Access to Finance.
4. Networks and relationships.
5. Child care.
6. Family support.
7. Safety in work and public spaces.

Challenges faced by Women Entrepreneurs in India

Highly educated, talented and professionally qualified women should be encouraged for running their own business, rather than reliant on wage service jobs. The uncharted talents of young women can be acknowledging, skillful and used for various types of industries to increase the yield in the business sectors. A desirable atmosphere is necessary for every woman to inculcate entrepreneurial values and involve greatly in business dealings.

But women in India face many problems to get ahead in their life in business. A few problems can be detailed as:

1. **Short of self-confidence:** In India women have lack of self confidence in their strength and ability. The family members and the society are unwilling to stand beside their organizational growth.
2. **Social cultural barriers:** Family and personal obligations sometimes work as a great barrier for succeeding in business career of women entrepreneurs. Only few women can manage both home and business efficiently, giving sufficient time to perform all their responsibilities in priority.

3. **Risks related to market:** Tough competition in the market and lack of mobility of women make them dependent on middleman essential. Many business women find it well difficult tool to capture the market share and make their products well popular and accepted by customers.
4. **Mobility constraints:** Women in India have to face lot of restriction in their mobility, our society still have some conservativeness, and due to that career of women is limited to four walls of kitchen.
5. **Financial assistance:** Most of the women especially in rural areas are not aware about the financial assistance provided by various institutions. The efforts taken for women entrepreneurs may not be able to reach the entrepreneurs in the rural and backward areas.

Successful Women Entrepreneurs of India

With minimum to no support women in business have proved that leading a company all by themselves is not beyond their ken.

In the country like India where some of the Indian women are much neglected, there are some who have soared higher. Thanks to these powerful ladies listed below, that they have faced struggles, challenges and made their way to the top list of entrepreneurs in India. This has not only helped the society economically but also has done a lot in terms of exposing the potential that a woman holds.

1. **Kalpana Saroj**: of Kamani Industries is probably the **First Female Corporate Entrepreneur** in post-independence India.

At the age of 16, she started working in a garment factory to support her family. Using Government loans for scheduled caste people, she successfully started a tailoring business and then a furniture store.

Kalpana Saroj started KS Film Production and produced first movie which was dubbed in English, Telugu and Hindi. *Khairalngi* movie is produced under her banner.

She built a successful real estate business and came to be known for her contacts and entrepreneurial skills. She was on the board of Kamani Tubes when it went into liquidation in 2001, and after taking over the company, restructured it and bought it back to profit.

She is a Padmastree awardee of 2013.

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She was appointed to the board of directors of **Bhartiya Mahila Bank**, a bank primarily for women, by the government of India. She has been a flag bearer of helping the downtrodden, promoting women empowerment, education, health, social justice and extending a hand to the needy by creating rural employment.

Awards and recognition:

- She was awarded as the **World Buddhist Outstanding** leader award by world alliance of Buddhist leaders-2016
- Honor given by the mayor of **London municipal corporation**
- Ninth annual **Rajiv Gandhi award** for woman entrepreneurs Mumbai in 2006.

She was the chairperson of KTL which is working on her principles of honesty above proficiency, strength and adversity and action rather than oration to take the company to new heights of success.

2. Kiran Mazumdar-Shaw: She is an Indian billionaire entrepreneur. She is one of the successful woman entrepreneur in India and who is the managing director of Biocon limited, a biotechnology company which is based in Bangalore. She is also the chairperson of Indian institute of management, Bangalore(IIMB). She started a corporate social responsibility wing at Biocon, the Biocon foundation. This foundation focuses on various facilities like: health care, education and mainly infrastructure and health care benefits which are lacked in rural areas. She prefers the term “**compassionate capitalist**” as she believes that business models can provide an ongoing foundation for sustainable social progress.

Arogya Raksha Yojana, with which she supported the development of clinical care, generic medicines and basic tests for those who cannot afford them.

Mazumdar Shaw is a proponent of good government and infrastructure. She has initiated to improve the city’s infrastructure and having a well standard of living in the society.

Mazumdar Shaw is a prominent member of the board of governors of the **Indian school of Business** sans a past member of the board pf governors of the **Indian institute of technology**, Hyderabad. She is the independent director on the board of **Infosys**.

Awards and Recognition:

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- As of 2010, Mazumdar Shaw was named among time magazine's 100 most influential people in the world. She was voted **global Indian of the year by Pharma Leaders magazine in 2012**.
- She was also an international awardee including the **Othmer gold medal-2014** for outstanding contributions to the progress of science and chemistry.
- She was awarded as the **Ernst & Young entrepreneur** of the year award for life sciences and healthcare-2002 and Technology Pioneer recognition by world economic forum-2002.
- Mazumdar Shaw received an honorary doctorate from her alma mater, **Ballarat university** in 2004 with respect of her recognition and contribution in the field of biotechnology.
- She received an honorary doctorate from **Davangere university**, India, at its first convocation, July 2013, in recognition of her contribution in the field of biotechnology.

A successful technocrat of global standing, MS. Shaw is highly respected in the corporate world. She is a much sought-after biotech pioneer who has been referred to as " **India's biotech queen** "by the economist " **India's mother of invention** "by New York times. She has been an excellent as an entrepreneur and has been a motivational aspect of every woman in this world.

3. Sudha Murthy: She is an Indian engineering teacher and famous author in kannada and English literature. Her all-time occupation is as a chairperson of the Infosys foundation and a member of public health care initiatives of the gate's foundation. She has been actively taken part in all the developmental efforts of rural area and supported the movement to provide all Karnataka government schools with computers and library facilities and established ' **The Murthy classical library of India** ' at **Harvard university**.

She became the first female engineer hired at India's largest auto manufacturer TATA Engineering and Locomotive Company (TELCO). She joined the company as a development engineer in Pune and then worked in Mumbai & Jamshedpur as well. She met N.R Narayana Murthy while employed as an engineer at TELCO in Pune, and the two got married.

In 1996, she started Infosys foundation and till date has been the trustee of **Infosys foundation** and a visiting professor at the **PG center of Bangalore university**. She is one of the social activists and have contributed for healthcare, education sector, public hygiene, art and culture, and poverty alleviation at the grassroots level. She wrote total 92 books. Among them some are here as below:

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- How I Taught My Grandmother to Read
- The Magic Drum and Other Favorite Stories
- Changing India
- The Mother I Never Know
- Dollar Bahu

Awards and Recognition:

- She was been awarded **Gold Medal from the Indian institute of engineers**, India for having secured the 1st rank in MTech of all the branches of engineering.
- Gold Medal from the **chief minister of Karnataka Sri Devaraj Urs**, for securing the **highest marks in BE** of all the universities of engineering in Karnataka.
- In 2006 she was also awarded for R.K Narayan's literature.
- In 2018 she also received the life time award for the achievement at the crossword Raymond book awards.
- The President, Dr. A.P.J. Abdul Kalam presented the **Padma Shri Award** to Dr. Sudha Murthy.
- In 2019 she received "**Hemmeya Kannadiga**" award from television and in the same year she also received her honorary degree of Doctor of Science from-**IIT Kanpur**.

"vision without action is merely a dream; action without vision is merely passing time; but vision and action together can change the world".

The above line was quoted by Sudha Murthy- which is very inspiring and motivational to each and every woman of this country and which fills with the challenging aspect in every woman.

She has been a role model for every woman in this world and have achieved fame with her great entrepreneurial skills and have been a successful woman entrepreneurial of India.

Schemes for Promotion and Development 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 promote progressively women enterprises in the MSE sector, various schemes have been formulated by this ministry and some more are in the process of being finalized, aims only at the development of women enterprises in India.

Schemes in India those specifically introduced for women for providing special benefits to women are as under:

- 1. Trade related entrepreneurship assistance and development scheme for women (TREAD):** With the objective of encouraging women in starting their own ventures, government launched a scheme, namely, (TREAD) Trade Related Entrepreneurship Assistance and Development during the 11th plan. This plan was mainly implemented for women in bringing the development of their entrepreneurial skills in non-farm activities. The govt. of India granted up to 1 lakh per program which can be used for implementing training institutions for women entrepreneurs in India.
- 2. Micro and Small Enterprise Cluster Development Programme (MSE-CDP):** Cluster is described as a group of enterprise, normally 20 or more producing services. The cluster development programmes are implemented especially for women with regard to technology improvement, adoption of best manufacturing practices, marketing of products, employment generation etc. The Ministry implemented the IID scheme to provide the developed sited with infrastructural facilities like; telecommunications, drainage and pollution control facilities and power distribution networks etc. This scheme has been subsumed in the MSE cluster development programme. All the features of IID scheme have been retained.
- 3. Credit Guarantee Scheme:** In May ,2000 The Government had introduced the credit guarantee fund scheme for women with the objective of providing them with the credit loans up to rs.25lakhs with no collateral/ third party guarantees. This scheme is being implemented for women in order to have credit facilities and which can help in their entrepreneurial works.
- 4. Help for Entrepreneurial and Managerial Development:** MSME regularly conducts managerial programmes for potential entrepreneurs and to encourage more such entrepreneurs who are physically challenged groups, it is proposed that such beneficiaries will not be charged any fee for these programmes. These specialized courses and programmes which are led by government of India and other such institutions are exclusively for women.

5. Scheme for Women Entrepreneurs to Encourage Small and Micro Manufacturing Units:

This scheme has been implemented for women entrepreneurs to support their small and micro businesses and manufacturing units which are owned by them. Under this scheme women entrepreneurs can participate in 25 international exhibitions which was envisaged during 11th plan by the government. For the year 2007-08 a good number of outstanding women entrepreneur associations have been requested to sponsor their members for participation in 5 international association exhibitions scheduled during the month of Jan-march, with a view to give confidence to women entrepreneurs for participation in the international exhibitions.

6. Dena Bank to Support India's Women Entrepreneurs: Dena bank will help government of India's initiative to promote women entrepreneurs for self-employment ventures in any kind of non-farm activity.

At present the government of India have implemented over 27 schemes for women. Some of these are:

- Assistance to rural women in non-farm Development (ARWIND) scheme
- Entrepreneurial Development Programme (EDPs)
- Indira Mahila Yojana
- Indira Mahila Kendra
- Integrated Rural Development Programme (IRDP)
- Khadi and Village Industries Commission (KVIC)
- Management Development Programmes
- Mahila Vikas Nidhi
- Women's Development Corporations (WDCs)
- Micro Credit Scheme
- Working Women's Forum
- NGO's Credit Scheme
- Training of Rural Youth for Self-Employment (TRYSEM)

CONCLUSION AND SUGGESTIONS:

Empowering women entrepreneurs is crucial for achieving the goals of sustainable development and the bottlenecks hindering their growth must be reduced to enable full participation in the business. Apart from training programmes newspapers, mentoring, trade fairs and exhibitions also can be source for entrepreneurial development. Therefore, promoting entrepreneurship among Indian women is certainly a short- cut to rapid economic growth and development. Let us try to eradicate all kinds of gender bias and thus allow “women” to be a great entrepreneur at par with men. As a team we would like to suggest that women also should be given equal opportunity as compared with men and should give a stage for showcasing their talents and give moral support for women in India with which our country can also be at a greater level in uplifting women entrepreneurship in India.