

## ROLE OF WOMEN ENTREPRENEURSHIP IN MSME'S : A STUDY OF RAJASTHAN STATE

**Ms. Vaishali Sharma<sup>1\*</sup>, Dr. Ruma Bhaduria<sup>2</sup>**

<sup>1</sup>\*Research Scholar, Bikaner Technical University

<sup>2</sup>Assistant Professor and Head of Management studies, Bikaner Technical university

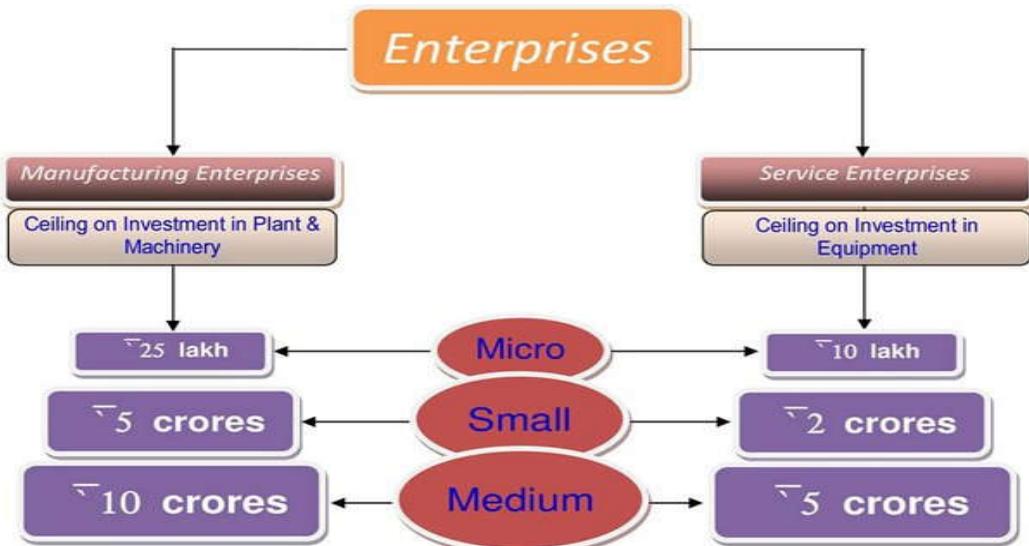
**\*Corresponding Author:**

### **Abstract:**

*The important contribution of women entrepreneurship in the Micro, Small, and Medium Enterprises (MSME) sector within Rajasthan, India, is investigated in this study article. Though they encounter particular difficulties that affect their potential and development, women entrepreneurs have become major drivers of the socioeconomic development of the state. This study looks at the elements motivating women to start businesses, the obstacles they run across, and the techniques helping them to be successful. By use of a mixed-method approach comprising surveys, interviews, and case studies from important areas of Rajasthan, this research clarifies the reasons, goals, and challenges of women in MSMEs. Important results underline how business development and sustainability are influenced by socio-cultural dynamics, access to financial resources, family support, and academic background. Furthermore, this study points forth particular government programs and non-governmental support networks that have helped women entrepreneurs. This study aims to evaluate the present situation of women entrepreneurs in the MSME sector.*

## INTRODUCTION:

Middle-sized enterprises (MSMEs) have a significant role in influencing the Indian economy. The small-scale industrial sector, typically referred to as SSIs, is crucial in the process of industrialization, especially in the context of a developing country. Small-scale employment (SSI) offers prompt and significant employment opportunities and makes a valuable contribution to the national GDP. Furthermore, it plays a crucial role in eradicating the economic underdevelopment of the country. In this particular context, it facilitates the achievement of self-sufficiency and ultimately mitigates regional disparities. Therefore, considering the future requirements of the economy, it is imperative to adopt a more conscientious approach towards the MSME sector. Given that MSME presents both opportunities and challenges, it has the potential to strengthen the foundation of the country and contribute to the attainment of national economic goals. This can be achieved by generating employment, expanding job prospects, expediting the production of domestically manufactured goods, fostering entrepreneurial skills, supporting the establishment of new industries, promoting self-help groups, and empowering economically disadvantaged segments of society. The MSME industry is throbbing with expansion and prospects. [1].



## MSME in India:

The micro, small, and medium-sized firm (MSME) sector in India consistently demonstrates remarkable viability despite challenging economic circumstances, both at the global and domestic levels. Throughout recent years, the industry has consistently achieved a year-over-year growth rate of 10%. Through its agility and dynamic character, the sector has shown a remarkable capacity for innovation and flexibility to withstand even the most severe economic shocks.

## Significance of MSME:

- The significance of micro, small, and medium-sized enterprises is attributable to their capacity for employment generation, low capital and technology requirements, and use of traditional or inherited skills.
- They are also important for the promotion of industrial development in rural areas, the use of local resources, the mobilization of resources, and the exportability of products.
- According to the estimates provided by the Ministry of Micro, Small, and Medium Enterprises of the Government of India, the sector is responsible for the creation of over 100 million jobs through the operation of over 46 million units that are dispersed across the entire country.

## Role of Women Entrepreneurs in Indian Economy

It is often stated that "women are homemakers." Similarly, women may contribute to the advancement of the Indian economy. Given that women constitute a substantial portion of the Indian population, it is both their obligation and entitlement to make meaningful contributions to the economy. Women participating in entrepreneurship contribute to employment creation, poverty alleviation, and various other fields. In recent decades, women's entrepreneurship has been advancing rapidly in India. In India, female entrepreneurs are vital to the expansion of the national economy. Their contributions extend beyond just economic impact; they also influence social norms, foster inclusivity, and catalyze innovation.

A female individual or collective women who initiate, strategize, and manage a business venture are termed women entrepreneurs. The Indian government defines a women-owned and controlled firm as one where a minimum of 51% of the capital is owned and managed by women, and at least 51% of the jobs generated by the business are occupied by women. Micro, small, and medium enterprises significantly contribute to women's empowerment by offering entrepreneurial opportunities and jobs. The Ministry of Micro, Small and Medium Enterprises offers training and skill development programs, equipping women with vital skills and information. These exercises enhance their

entrepreneurial abilities and better prepare them to confront the challenges of business ownership. By dismantling biases and providing women the opportunities to assume leadership positions, cultivate their skills, and achieve financial autonomy, these firms enable women to exert a beneficial impact on their communities and families. Women engaged in MSMEs have opportunities to generate money that bolster their sense of achievement, self-esteem, and financial stability. Moreover, MSMEs typically provide flexible work arrangements, facilitating women's ability to balance domestic and professional obligations successfully.

#### **Objective of Study:**

1. To grasp the value of women entrepreneurship in the growth of Indian MSMEs
2. To find out the current government initiatives for women entrepreneurship.

#### **Methodology of the Study:**

To conduct and know about the women entrepreneurial growth in MSME sector this study focus on the available literature and secondary data.

#### **Review of Literature:**

**Abhilasha Patel(2022)** Analysis of these statistics indicates a continued necessity to enhance the involvement of women entrepreneurs. The government is implementing numerous efforts, including schemes, skill development programs, legislation, and financial support through loans and subsidized grants, to encourage women to embark on their entrepreneurial ventures. Nonetheless, significant progress is required to attain equal participation of male and female entrepreneurs in the MSME sector and all other sectors in India.

**Neha Chodhary(2022)** explains that The viewpoints of entrepreneurs on individuals, entrepreneurship objectives, inspiration, productive capacity, and sociocultural factors were identified as explanatory variables influencing the success of women entrepreneurs. Women EPs are shaped by their educational attainment, skills, and intellectual capabilities. The success of women entrepreneurs is influenced by foreign practices, the informal economy, and the absence of enforcement of gender equality laws. When women initiate own enterprises, they attain self-sufficiency, financial stability, and independence. A woman's self-assurance in her abilities is essential, as is her empowerment via education.

**Dr. Sunil Patil (2020)** in their paper presents a case study of women entrepreneurs, examining the challenges and opportunities associated with women entrepreneurship. Daily living. He addressed the challenges of establishing a firm; ultimately, he determined that governmental banks and additional financial entities ought to provide loans to rural women to support women entrepreneurs Movement in Maharashtra and India will progress in the correct way to empower an increasing number of women in social, economic, cultural, and political spheres issues.

**Remya Lathabahvan (2020)** in research reviews existing literature and examines the barriers encountered by women entrepreneurs through an online poll. He also elucidated the importance of women entrepreneurs in the economy. He has provided insights into the psychology of individuals through personal interviews and a compilation of success tales. He presented several case studies of women entrepreneurs, asserting that these examples will inspire them to achieve unprecedented success, while also addressing the challenges they encounter and the remedies proposed. He ultimately determined that India requires women to assert themselves and contribute to the economy.

**Junare and Singh (2016)** performed a survey of 50 women entrepreneurs in Ahmedabad for their study titled 'An Analysis of Technological Practice among Women Entrepreneurs of Different Entrepreneurial Avenues in Selected Cities of Gujarat.' Vadodara, a city in Gujarat, seeks to explore the business opportunities it has selected. refine their entrepreneurial abilities. The findings indicate that women predominantly choose the manufacturing of personalized garments (22 percent), succeeded by retail enterprises in the sectors of commerce (16 percent) and engineering along with handicrafts (10 percent each).

**Sabbra korack (2019)** In this report, elucidated the factors contributing to the low rates of female entrepreneurship, primarily include unconscious biases, insufficient confidence in business acumen, and challenging access to financing and networks. This paper presents proposals to enhance the number of women entrepreneurs in India and provides a detailed explanation. It elucidated the reasons behind the low involvement rate of women. She ultimately determined that leveraging the complete capabilities of women entrepreneurs may foster innovation, stimulate economic growth, and generate employment opportunities.

**Ilahi (2018)** examined the position of women entrepreneurs in micro, small, and medium enterprise (MSMEs). India, as per the NSS 73rd round conducted by the NSSO. Furthermore, the author addressed the obstacles encountered by the women entrepreneurs and several governmental programs to promote women entrepreneurship in the MSME sector. The research indicated that female entrepreneurs constitute merely 20.37% of the Indian MSME sector. On a categorical basis. Micro enterprises account for the highest proportion of female entrepreneurs at 20.44%, while this proportion is 5.26% and 2.67% for other categories. within small and medium-sized firms, respectively.

**(Singh & Raina, 2013)** in their study titled "Women Entrepreneurs in Micro, Small and Medium Enterprises" examined the current situation of women entrepreneurs in India and the problems they encounter. The authors asserted that the participation of women entrepreneurs is equally essential for economic development as that of their male counterparts.

Male entrepreneurs have been acknowledged throughout the past few decades. However, women entrepreneurs now encounter numerous issues pertaining to financing, education, technological proficiency, and risk management competencies.

**Chavan and Murkute (2016)** examined the role of women entrepreneurship in the Indian economy. Individuals asserted that female entrepreneurs encounter numerous hurdles in any entrepreneurial endeavor. However, the administration of India is offering assistance through many incentives and policies to foster the advancement of women entrepreneurship. The study indicates that women entrepreneurs can substantially contribute to economic development through Capital formation, enhancement of per capita income, employment generation, and innovation.

### **MSME Initiatives for Women Entrepreneurs**

The Ministry of MSME has taken a number of steps to support women-owned MSMEs :

- i. Special drives for registration of women owned MSMEs under Udyam Registration Portal.
- ii. To benefit women entrepreneurs, the Public Procurement Policy was amended in 2018 mandating Central Ministries/Departments/ Undertakings to procure at least 3% of their annual procurement from women-owned micro and small enterprises.
- iii. To support women entrepreneurs under Credit Guarantee Scheme for Micro & Small Enterprises, two provisions have been introduced for women entrepreneurs w.e.f. 01.12.2022. These are:
  - a. 10% concession in annual Guarantee fees; and
  - b. 10 % additional Guarantee coverage of up to 85%, as against the 75% for other entrepreneurs.
- iv. To encourage entrepreneurship among women, Ministry of MSME implements 'Skill Upgradation & Mahila Coir Yojana' under Coir Vikas Yojana, which is an exclusive training program aimed at skill development of women artisans engaged in the Coir sector.
- v. The Ministry also implements Prime Minister's Employment Generation Programme (PMEGP), which is a major credit-linked subsidy programme aimed at generating self-employment opportunities through establishment of micro enterprises in the non-farm sector. For beneficiaries belonging to special categories such as Scheduled Caste/Scheduled Tribe/OBC /minorities/women/ ex-serviceman/ physically handicapped/ NER/ Hill and Border areas, etc., higher subsidy is given.
- vi. To encourage participation of women entrepreneurs in trade fairs under Procurement & Marketing Support Scheme, higher subsidy is provided for women owned MSMEs.
- vii. "SAMARTH" initiative was launched to support women-owned MSMEs with the objective of providing Skill Development and Market Development Assistance to women and to train more than 7,500 women candidates from rural and sub-urban areas. Aspiring and existing women entrepreneurs have been provisioned with 20% Seats in free Skill Development Programs organized under Skill Development Schemes of the Ministry; 20% of MSME Business Delegations for domestic & international exhibitions under the schemes for Marketing Assistance implemented by Ministry; and 20% discount on annual processing fee on National Small Industries Corporation's Scheme.
- viii. MSME Sustainable Zero Defect Zero Effect (ZED) Certification Scheme is an initiative to provide a roadmap to global competitiveness for Indian MSMEs having economic and social impacts in terms of capacity building of MSMEs. The aim of the scheme is that the goods being manufactured by the MSME sector have zero recall from market at the same time has zero effect on environment. Under this scheme to support and empower women entrepreneurs, there is a provision of 100% subsidy on cost of ZED Certification for Women owned MSMEs.
- ix. Under incubation component of MSME Innovative Scheme, a special MSME Idea Hackathon 3.0 was organised for Women entrepreneurs wherein 18,888 ideas have been received.

The Ministry of MSME implements the following capacity building programmes for capacity building and skill enhancement for MSMEs, including women entrepreneurs in MSMEs such as:

- Entrepreneurship Skill Development Programme (ESDP): The aim of ESDP is to foster new firms, enhance the capabilities of current MSMEs, and cultivate an entrepreneurial culture within the nation. Approximately 40% of the designated beneficiaries of ESDPs are required to originate from marginalized segments of society (SC/ST/Women/Physically Disabled). No participation cost will be imposed on SC, ST, physically handicapped, Below Poverty Line (BPL) participants, and women.
- The Mahila Coir Yojana (MCY) seeks to empower women craftsmen in the coir industry through a two-month stipend-based training program. Women artisans are urged to seek support under the Prime Minister's Employment Generation Programme (PMEGP).

### **Conclusion:**

Establishing a league of women entrepreneurs is a collective aspiration we all hold. This league will facilitate the economic empowerment of women. An empowered woman will advance our society towards a gender-equal and gender-neutral future.

subsequently. For this to occur, the equal efforts of all parties are essential. Significant. The government, in conjunction with the active participation of civil society, should engage from the grassroots to the upper echelons of our society to accomplish this the intended objective of our civilization. An empowered woman represents progress. sustainable development and equitable global governance.

Despite significant endeavors by the government and other institutions to foster and promote women's entrepreneurship, considerable effort remains necessary. In addition to the plans to be executed, the Government will establish a monitoring and assessment system. Micro-level studies could be undertaken to identify the factors contributing to the discrepancy between male and female entrepreneurship. Measures could be implemented to address those factors. The government should implement motivational and awareness programs to promote women's entrepreneurship.

The collective effort of all individuals will undoubtedly facilitate the advancement of women business, thereby contributing to economic progress. The government and organizations promoting women entrepreneurship should emphasize the variables positively influencing the Entrepreneurial Success Index. The level of education has been found to positively influence the success of women entrepreneurs. Consequently, the government should implement measures to enhance educational attainment, particularly among female students. The ideas and significance of entrepreneurship has to be integrated into the curriculum to motivate students to pursue entrepreneurship as a vocation.

Entrepreneurial awareness should be disseminated among the general public through numerous mediums, including television, the internet, newspapers, and periodicals. Public awareness will positively impact women's entrepreneurship in multiple dimensions. The joint family exerts a beneficial influence on the success of entrepreneurs. Increased awareness of the significance of women entrepreneurship among family members will enhance cooperation and support, thereby serving as a motivational element for pursuing entrepreneurial endeavors. The issue of familial support and collaboration encountered by entrepreneurs will diminish with the recognition of the significance of entrepreneurship.

### References:

1. Chaston, I., (2012), "Small firm performance: assessing the interaction between entrepreneurial style and organizational structure", European Journal of Marketing.
2. Barger, A., & Udell, G., (2006), "A more complete conceptual framework for SME finance", Journal of Banking & Finance, vol. 30, pp. 2945-2966.
3. Banerji, C., (2009) "Economic Stimulus Package Working: CII SME Survey", CII Communique, vol.18 (4), p. 32.
4. Bana, S., (2000), "India's Small Scale Sector", Business India, No. 596, pp.32.
5. Balasubramanian, N., (2007), "Expanding Role of SIDBI", The Hindu, Survey of Indian Industry, pp. 70-73.
6. Azad, R.R., (2010) "Grooming SMEs in Booming ASEAN", in Facts For You, vol.30 (10), pp. 35-39, ISSN No. 0970-2652.
7. Aruna, N., (2015), "Problems Faced By Micro, Small and Medium Enterprises -A Special Reference to Small Entrepreneurs in Visakhapatnam", IOSR Journal of business and management, vol 14 (4), pp. 43-49.
8. Antony, N., (2002), "The Prospects and Growth of Small Scale Industries in India- An Overview", Southern Economist, vol.14 (1), p. 96.
9. Ahmed, B., (2000), "Sickness of SSI", Southern Economist, vol.38 (18), p.19.
10. Chockalingam, S.M and Sundar raj, J., (2007), "Trends in the Flow of Bank Credit to SSI Sector", Organisational Management, vol. 23 (3), pp.14-17.
11. Gupta, K., (2011), "MSME cash strapped", International Journal Of Industrial Research ,vol.26 (1),p.3-12
12. Gnanadas, E., (2003), "Marketing Performance of SSIs under Global Environment- A Difficult Task?", Indian Journal of Marketing, vol. 33 (7), pp. 12-15.
13. Garg, N., (2014), "Micro, Small and Medium Enterprises in India: Current Scenari and Challenges", Paripe - Indian Journal of Research, vol. 3 (9), pp.11-13.
14. Garg, I., & Walia, S., (2012), "Micro, Small & Medium Enterprises (Msmes) in Post Reform India: Status & Performance", International Journal of Latest trends in engineering and technology, vol. 1 (3), pp. 134-141.
15. Ganeshan, (2009) "Institutional Finance for Small-Scale Industries-An Overview", Business and Travel Times, vol. 2 (7), pp. 46-47.
16. Dixit, A. and Pandey, A.K., (2011), "SMEs and Economic Growth in India: Cointegration Analysis", The IUP Journal of Financial Economics, vol. 9 (2), pp. 41-59
17. Cronbach, L. J., (1951), "Coefficient alpha and the internal structure of tests", Psychometrika, vol. 16, (3), pp. 297-334. doi: 10.1007/bf02310555
18. CII survey (2010) "Infrastructure Development Key to MSME Growth & Development:CII Survey", Communique, vol.19 (7), p 32.
19. Islam N., and Ahmed, E., (2005), "A measurement of Customer Service Quality of Banks in Dhaka City of Bangladesh", South Asian Journal of Management, vol.12 (1), pp. 37-55.
20. Jain, L. C., (1990) "Assistance of Small Industry", Eastern Economist, vol.80 (12), pp.203
21. Jobling, E., Walker, G., and Heffernan, T., (2009), "Service Quality Attributes SME's Desire in their Choice and Retention of A Bank: An Australian Perspective", International Review of Business Research Papers", vol.5 (3), pp. 12-25.
22. John Manohar, S., and Ravindra, N. S., (2011), "Perception and Receptivity of Branding by Banks by Customers of Small Scale Industries in Bangalore", Indian Journal of Research in Commerce and Management, vol.1 (3), pp. 48-52.
23. Kalyan,N., Sardar, K., and Gugloth, (2011), "Competitive performance of micro,small and mediumenterprises in India", Asia pacific journal of social sciences, pp.128-146
24. Krishna, S., (2001), "Impact of Small Scale Industries", Economic and Political Weekly, vol.36 (27), pp. 25-45.
25. Kumar, A., (2008), "Awareness of Supporting Agencies among Women Entrepreneurs in Small Businesses", The ICFAI University Journal of Entrepreneurship Development, vol.5 (4), pp. 6-17.
26. Chavan, V., &Murkute, D. (2016). ROLE OF WOMEN ENTREPRENEURSHIP IN INDIAN ECONOMY. International Journal of Science Technology and Management, 604-612.

27. Danabakyam, D., & Kurian, S. (2012). WOMEN ENTREPRENEURSHIP IN MICRO, SMALL AND MEDIUM ENTERPRISES (MSME) IN CHENNAI CITY. International Journal of Marketing, Financial Services & Management Research, 68-74.
28. Ilahi, D. S. (2018). An Overview of Female Entrepreneurs in Indian MSME Sector. Saudi Journal of Business and Management Studies (SJBMS), 1269-1273.
29. Kamal, D., & Chandrakala , D. (n.d.). ENTREPRENEURIAL SUCCESS AND RISK PERCEPTION AMONG WOMEN ENTREPRENEURS OF MSME , BANGALORE. In Building Business Acumen Towards Sustainability (pp. 203-210).
30. Sanu, M., Ahmad, M., & Anjum, S. (2021). A Comparative Analysis of Women and Men-Owned MSMEs with Special Emphasis on Women Entrepreneurship: A Case Study of Cachar District, Assam. SEDME (Small Enterprises Development, Management & Extension Journal, 314-327.
31. Singh, D., & Raina, M. (2013). Women Entrepreneurs in Micro, Small and Medium . International Journal of Management and Social Sciences Research (IJMSSR) , 04-08.
32. Tiwari, D. (2023). MSME: Issues and Challenges of Empowerment of Women In India. International Journal of Engineering Applied Sciences and Technology, 149-156.
33. Vejju, B. (2018). Role of Self Help Groups (SHGs) on Women Entrepreneurship in Andhra Pradesh. u, International Journal of Research in Management, Economics and Commerce, 126-132. <https://msme.gov.in/>