

MICRO, SMALL AND MEDIUM ENTERPRISE PROGRAMMES FOR WOMEN IN INDIA - HAS IT BEEN COMPREHENDED?

Dr. Sreeja J.P.

Assistant Professor, Department of Economics, SreeDevi Kumari Women's College, Kuzhithuri.

Abstract

The stepping stone to any large business is a small enterprise. When the 21st century marks the development of India, its foundation certainly lies in the Micro, Small and Medium Enterprises (MSMEs). This could be true for any country in the world. Indian women today are ready to face the world through their entrepreneurial skills surpassing the barriers of all kinds, from a householder to being considered a weakling in the society. A woman of today is a power package of talent and hard work. She is even ready to cross the hugest barrier of being uneducated in the modern era. Education may not have been their destiny but that does not stop them from being entrepreneurs. Women in modern India are ready to take up business in MSMEs. The Government of India, at the Central and State levels have designed various programmes for training the women and lending a helping hand in the setting up of business firms for women in rural and urban India. This is done through various institutes of entrepreneurship in the country. This study is an attempt to identify the extent of implementation of the various programme in the last five years and to what extent, women have been benefitted in the process. It also tries to find out which programmes in the MSME sector has not been successful in comprehending the women mass.

Key Words: *Micro, Small and Medium Enterprises, Government Programmes, Institutes of Training, Women Entrepreneurship.*

“There is no tool of development more effective than the empowerment of woman”

– Kofi Annan (Ex- Secretary General of U.N.)

Going by the words of KofiAnnan, it is a fact that any country's development is significant by the empowerment of women. Moreover, statistics have also proved that developed countries have less gender inequality compared to the less developed ones. The economic status of women is inextricably related to the treatment that they are accorded to in the labour market which is unequal vis-a-vis men. With unequal access, control and ownership of productive resources like land, credit, technology, education, skills; inequitable work burdens; inequitable distribution of consumption resources within the household are major factors differentiating women from men. Increase in employment and access to economic and other productive assets are the building blocks of women's economic empowerment. While many of the barriers to entrepreneurship are common to both genders (access to capital and business networks, adequate training and facilities) female entrepreneurs face gender biases stemming from socio-economic factors or specific biases in laws such as inheritance laws. The following table gives a summary on the share of entrepreneurs in the working population in selected emerging markets.

Table 1: Share of Entrepreneurs in the Working Population in Selected Emerging Markets

Countries	2006			2013		
	All	Female	Percentage	All	Female	Percentage
India	10	9	90	10	6	60
South Africa	5	5	100	11	9	81.81
China	16	15	93.75	14	12	85.71
Brazil	12	10	83.33	17	17	100
Indonesia	19	19	100	26	25	96.15

Source: Global Entrepreneurship Monitor

From the table above it is quite evident that the percentage of women entrepreneurs has reduced drastically to 60% in 2013 as compared to that of 90% in 2006. Moreover it is the lowest compared to all the other selected developing countries.

In India, most entrepreneurs function in the unincorporated or unorganised (informal) sector which accounts for 99% of all firms. Unincorporated and unorganised enterprises are firms of small size that are not covered by most employment and

social protection laws. Entrepreneurs can be divided into those with and without workers as their characteristics and determinants tend to differ in India. Most entrepreneurs in India have no employees and often engage in subsistence activities such as street vendors. As far as female entrepreneurship is concerned, studies show that the number of female entrepreneurs has doubled over from 2000-2010 to about 10 million outside the agricultural sector. Their share rose in all sectors, and women now account nearly half of total entrepreneurs without workers in manufacturing. In services and trade their shares have also grown but remained modest at about 10% of total.

The second largest source of employment after agriculture are the MSMEs. They account for almost 40 per cent of industrial production, 95 per cent of the industrial units, 34 percent of the exports and manufacture over 6000 products. This sector produces a melange of industrial products such as food products, beverage, tobacco and goods produced from it, cotton textiles and wool, silk, synthetic products, jute and jute products, wood and wood products, furniture and fixtures, paper and goods produced from it. Other services also include machinery, apparatus, appliances and electrical machinery. This sector also has a large number of growing service industries.

In accordance with the provision of Micro, Small & Medium Enterprises Development (MSMED) Act, 2006 the Micro, Small and Medium Enterprises (MSME) are classified in two Classes:

(a) Manufacturing Enterprises: The enterprises engaged in the manufacture or production of goods pertaining to any industry specified in the first schedule to the industries (Development and Regulation Act, 1951). The Manufacturing Enterprises are defined in terms of investment in Plant & Machinery.

(b) Service Enterprises: The enterprises engaged in providing or rendering of services and are defined in terms of investment in equipments.

According to the Micro, Small and Medium Enterprises (MSME) Development Act of 2006, (India) a micro enterprise is where the investment in plant and machinery does not exceed twenty five lakh rupees. A small enterprise is where the investment in plant and machinery is more than twenty five lakh rupees but does not exceed five crore rupees. A medium enterprise is where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees. In the case of the enterprises engaged in providing or rendering of services;

- A micro enterprise is where the investment in equipment does not exceed ten lakh rupees.
- A small enterprise is where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees.
- A medium enterprise is where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

Activities and Programmes for Women

The role of the Ministry of MSME is primarily to assist the States/Union Territories in their efforts to promote growth and development of MSMEs. The main focus of the schemes or programmes undertaken by the Organisations of the Ministry is thus to provide a wide range of services and programmes required for accelerating the development of MSMEs. Nevertheless, there are a few schemes or programmes which are individual or beneficiary oriented.

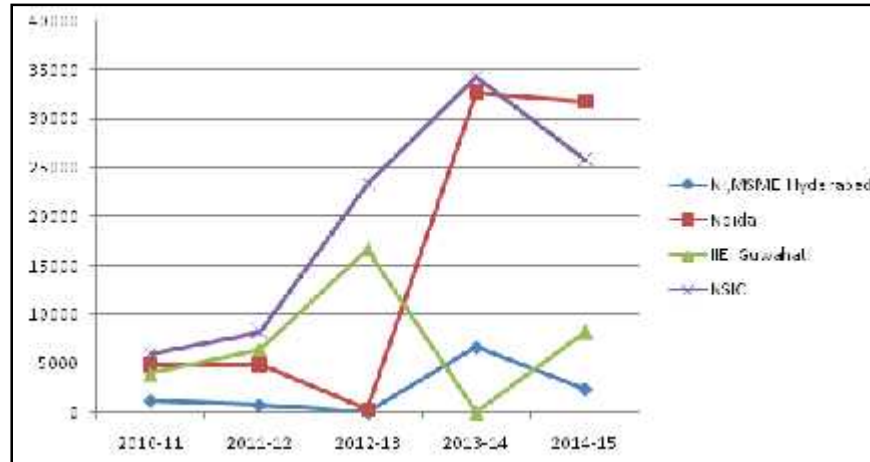
Training Programmes (2010-2015) - An Analysis

The Central government lets out training of women entrepreneurs through the National Institute for Micro, Small and Medium Enterprises in Hyderabad and Noida, Indian Institute of Entrepreneurship, Guwahati and National Small Industries Corporation. The following table shows the beneficiaries through the different training centers from 2010-2015:

Table 2: Beneficiaries Lent Training through Various Training Centers

Training Centres	2010-11	2011-12	2012-13	2013-14	2014-15
NI,MSME Hyderabad	1177	746	-	6648	2393
Noida	4909	4847	278	32701	31813
IIE, Guwahati	3947	6375	16668	-	8226
NSIC	5996	8265	23319	34338	25897

Source: Annual Report, MSME



The NIMSME, Hyderabad lent its training to 1,177 beneficiaries and 2,393 beneficiaries in 2010-11 and 2014-15 respectively. There were surprisingly no beneficiaries in 2012-13 for reasons unknown. While Noida sparked up the number of beneficiaries in 2013-14 by about 107.30% compared to the previous year, there were no beneficiaries from Guwahati in 2013-14, though it benefitted 822 women in 2014-15. Women benefitting from NSIC were moderate before 2012-13. The figure above clearly depicts that the numbers were enormous in the last three years.

Trade Related Entrepreneurship Assistance and Development (Tread) Scheme for Women

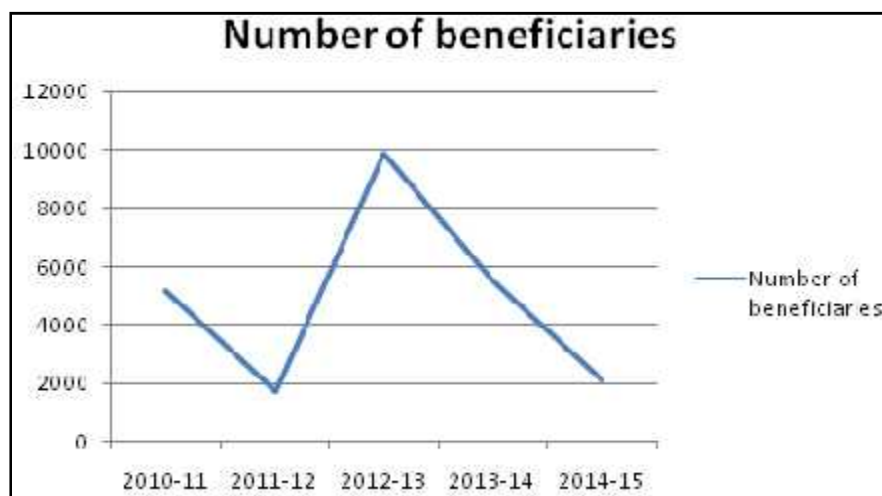
The scheme envisages economic empowerment of women through the development of their entrepreneurial skills in non-farm activities. There are three major components of the scheme;

1. Government's grant upto 30% of the Loan/credit sanctioned by banks to the Non-Government Organisations (NGOs) for promoting entrepreneurship among women for undertaking activities as envisaged in the project.
2. Government's grant upto Rs.1 lakh per programme to training institutions / NGOs for imparting training to the women entrepreneurs subject to such institutions/NGOs contribute their share to extent of minimum 25 % of the GoI grant and 10 % in case of NER.
3. Need-based Government's grants upto Rs.5.00 lakh to National Entrepreneurship Development Institutions and any other institutions of repute for undertaking field surveys, research studies, evaluation studies, designing of training modules etc.

Table 3: TREAD - Women Benefitted

Year	2010-11	2011-12	2012-13	2013-14	2014-15
Number of beneficiaries	5165	1725	9855	5535	2100

Source: Annual Report, MSME





The budget estimate for TREAD in 2010-11 was 270 lakhs out of which 92 lakhs were sanctioned benefitting 5165 women. The same amount was estimated in the budget of the following year but the amount sanctioned fell to 52 lakhs benefiting only 1725 women. Upto December 2012, Rs.77 lakhs were disbursed to 9 NGOs for empowering 2374 women.

In 2012-13 107 lakhs were disbursed to five NGOs benefitting 9855 women and 2013-14 benefitted 5535 women with a grant of Rs.233.34 lakhs to 20 NGOs. The last year saw the benefits received by 2100 women with grants given to just three NGOs and the sum was Rs.52.05 lakhs.

Activities and Programmes for Women in Ari Sector

While implementing various schemes of this Ministry efforts are made to ensure adequate participation of women in them. In addition, the Coir Board is implementing the Mahila Coir Yojana which is a women oriented self-employment programme. Under this programme women are provided training and ratts for carrying out spinning activity and increasing their earnings. The details of the benefits available to women entrepreneurs under these programmes and also their participation in terms of numbers and subsidy provided are mentioned in the following paragraphs.

Prime Minister's Employment Generation Programme and Women

Relaxation is provided to women beneficiaries under Prime Minister's Employment Generation Programme (PMEGP) launched in 2008-09, such as:

1. For urban women beneficiaries, margin money subsidy is provided at the rate of 25 per cent of the project cost while it is 35 per cent for women in rural areas.
2. In case of women entrepreneurs, beneficiary's contribution is 5 per cent of the project cost while in the case of others; it is 10 per cent of the project cost.
3. Bank finance in the form of loan is 95 per cent of the project cost in case of women and other weaker section borrowers and 90 per cent of the project cost in case of others.

Mahila Coir Yojana

It is the first women oriented self employment scheme launched in the coir industry in November 1994 which provides self employment opportunities to the rural women artisans in regions producing coir fibre. The Scheme envisages distribution of motorized ratts for spinning coir yarn to women artisans after giving training. One artisan per household is eligible to receive assistance under the scheme. Women spinners are trained for two months in spinning coir yarn on motorized ratt at the Coir Board's Training Centres. A stipend of ` 500/- was earlier paid to the trainees which has been raised to ` 750/- per month from 2009-10. Coir Board provides motorized ratts/motorized traditional ratts at 75% cost subsidy subject to a maximum ceiling of ` 7,500/- for motorized ratts and ` 3200/- for motorized traditional ratts. The remaining 25% has to be raised by the beneficiary.

Findings

The study finds out that there have been lack of optimum use of the government policies and programmes in the MSMEs. Last three years have shown use to a certain extent, though a lot needs to be exploited yet.

The Annual Report of the MSME does not show any evidence of beneficiaries from Prime Minister's Employment Generation Programme and Women and Mahila Coir Yojana. There is serious need to reach out these programmes to women in rural and urban sector.

Conclusion

It is quite a known fact that women face a lot of problems in more ways than one. The Government has designed a lot of programmes to improve their conditions. One such programme is the Micro, Small and Medium Enterprise Programmes for Women. The analysis of the above programme on women, speaks volumes on how much they have actually not yet comprehended among the women in all spheres of our country. This could be due to lack of knowledge about these programmes by the women folk or it could also be due to the lack of initiative by the government to make these programmes accessible to the mass. At this juncture, when the country is focusing on "Make in India" and "Skill India" and when the country actually needs such programmes to be totally exploited, the government's measure to spread out the message to all categories of women is indeed very urgent and imperative. This would indeed make a difference in the lives of the women who have been denied empowerment in the society.