



## WOMEN EMPOWERMENT THROUGH MSMEs IN INDIA

N Y Raju\*      Dr. T. Sree Krishna\*\*      Dr. T. Narayana Murty\*\*\*

\*Research Scholar, Department of Commerce & Business Administration, Acharya Nagarjuna University, Nagarjuna Nagar, India.

\*\*Associate Professor in Management Science, R V R & J C College of Engineering, Guntur.

\*\*\*Director, Nimra College of Business Management, Vijayawada.

### Abstract

The terms, women empowerment and gender equality determine the direction of diverse discourses on women, locally, nationally and internationally. Economic empowerment is a necessary condition for enabling women to seek justice and equality. Without economic strength, women cannot exercise their guaranteed rights. It is, therefore, necessary to seek participation of women as equal partners with men in all fields of work, equal access to all positions of employment, equal opportunities for work related training and full protection of women at work place. Economic empowerment of women, including reduction of female poverty require programs that focus on identifying, developing and promoting alternative approaches to increase women's access to and control over the means of making a living on a sustainable and long term basis. It strategies to advocate that the government undertakes legislative measures to speed up women's participation in economic life, including the right of equality in property ownership and inheritance and access to credit, financial service and assistance in entrepreneurial development.

**Key Words: Women, Empowerment, MSME.**

### Introduction

The present paradigm of empowerment of women is not a women in development but a gender and development. The women in development paradigm assumes that women have been left out in development process and hence need to be integrated to give benefit, gender and development paradigm recognizes women's triple role i.e. in reproduction, production and community management. Therefore, the main objectives of development programmes in this context may be categorized as (i) Initiate income generating programmes (ii) Sensitize women about their rights, entitlements and legal framework; and (iii) Take up capacity building measures. It is seen that gender inequality retards economic growth. There is growing evidence to suggest that several aspects of gender relations, the gender biased division of labour, disparities between males and females in power and resources, and gender biases in rights and entitlements act. It is commonly held that, investments in female education and health tend to increase the incomes of families; educated women who know more about health and hygiene, are also able to practice this knowledge; better educated women are able to adapt newer technologies, hold on to new opportunities, and cope up with economic shocks.

### Women's Empowerment Strategy

The basic requirements of women's empowerment strategy are : (i) introduction of special measures to increase the proportion of women involved in decision making; (ii) establishment of specific training programs, especially for women living in extreme poverty,, to improve their condition; (iii) creation of equal employment opportunities for educationally, technically and professionally qualified women by dismantling the forbidding walls of silent discrimination in their recruitment and related process; (iv) encouragement to women's entrepreneurship and other self- reliant activities, particularly in the informal sector; (v) integration of gender perspective in to all economic structuring; (vi) elimination of all forms of discrimination in employment, including wages and breaking down of gender based occupational segregation; (vii) initiation of measures to improve working conditions of women in the formal sector, particularly, by encouraging them to organize so that they know their rights and are able to obtain necessary support to exercise them; (viii) mobilization of banking sector to increase lending on easier terms to women entrepreneurs and producers, especially in the rural areas; and (ix) activation of enforcement machinery to ensure that the interest of women workers is protected, especially in the informal sector where large scale discrimination persists.

As the largest democracy in the world, India has enjoyed the freedom to continuously experiment with a number of forms, structures and modes of organizations to achieve women's equality. The state is seen as the prime mover in bringing about this social change and is charged with the responsibility of ensuring fundamental rights to equality and freedom of the sexes and prohibition of discrimination on this ground. The replacement of institutional structures and formations from time to time, their modifications, renewal as well as organic growth have come about as responses to emerging concepts on women's issues. During the last six decades, development planning for women straddled theories as disparate as welfare, development, equality, efficiency and empowerment. The institutional structures have undergone changes in response to these evolving concepts and have changed from welfare to empowerment and beyond, in response to experiences of social reality at the field



level as well as factors governing external environment. Today, the state has accepted women as active agents, participating in development programs and schemes and thereby achieving their own development.

### **Women Empowerment Through MSMES in India**

Women have been among the most disadvantaged and oppressed section of our country with regard to access to and control over resources. Problems faced by them continue to be grave particularly for illiterate & semi-literate women of rural and urban areas. In order to alleviate their problems, Govt. of India launched a scheme entitled “Trade Related Entrepreneurship Assistance and Development” (TREAD) during the 9th plan period which has slightly been modified and is now put in operation. The scheme envisages economic empowerment of such women through trade related training, information and counseling extension activities related to trades, products, services etc.

Experience has revealed that apart from counseling and training, delivery of credit poses the most serious problem for the poor women. There is also dearth of information with regard to existing status of women and their common needs for providing necessary support. Since such women are not able to have an easy access to credit, it has been envisaged that the credit will be made available to women applicants through NGOs who would be capable of handling funds in an appropriate manner. These NGOs will not only handle the disbursement of such loans needed by women but would also provide them adequate counseling, training and Assistance in developing markets.

#### **A. Credit to Projects**

Government Grant up to 30% of the total project cost as appraised by lending institutions which would finance the remaining 70% as loan Assistance to applicant women, who have no easy access to credit from banks due to their cumbersome procedures and the inability of poor & usually illiterate/semi-literate women to provide adequate security demanded by banks in the form of collaterals. GOI Grant and the loan portion from the lending agencies to assist such women shall be routed through eligible NGOs engaged in assisting poor women through any kind of income generating activities in non-farm sector. For example if an NGO submits project(s) for a number of individual or group(s) women say for Rs. 50,000 each for a group of 50 women, then the loan amount required by 50 women would be Rs. 25lakhs.

#### **B. Training & Counseling**

Training organizations viz. Micro, Small and Medium Enterprises (MSMEs), Entrepreneurship Development Institutes (EDIs), NISIET and the NGOs conducting training programs for empowerment of women beneficiaries identified under the scheme would be provided a grant upto maximum limit of Rs. 1.00 lakh per program provided such institutions also bring their share to the extent of minimum 25% (10% in case of NER) of the Government grant. The batch size for such a training activity will be at least 20 participants. Duration of the training program will be minimum one month. For example if a mention institution or eligible NGO wants to conduct a pre or post project training program for a group of women then the maximum GOI grant can be Rs.1.0 lakh provided the NGO also raises 25% of the requested grant i.e. the total expenditure of the training expenditure can be up to Rs. 1.25 lakhs for availing full assistance of GOI grant<sup>22</sup>.

#### **C. Eliciting Information on Related Needs**

Institutions such as Entrepreneurship Development Institutes (EDIs), NIMSME, NIESBUD, IIE, MSME-DIs EDIs sponsored by State Govt. and any other suitable institution of repute will be provided need based Government grant primarily for undertaking activities aiming at empowerment of women such as field surveys, research studies, evaluation studies, designing of training modules, etc. etc. covered under the scheme. The grant shall be limited up to Rs. 5 lakhs per project.

#### **Summary of Findings and Suggestions**

Micro, Small and Medium Enterprises (MSME) sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. MSMEs not only play crucial role in providing large employment opportunities at comparatively lower capital cost than large industries but also help in industrialization of rural & backward areas, thereby, reducing regional imbalances, assuring more equitable distribution of national income and wealth. MSMEs are complementary to large industries as ancillary units and this sector contributes enormously to the socio-economic development of the country.

The Gender equality and women empowerment are the buzzwords, entrusted with different interpretations to suit varied socio-political perspectives. The rhetoric of gender equity and women's empowerment has acquired an important place in government policy, non-government advocacy, media and academic research. The terms, women empowerment and gender equality determine the direction of diverse discourses on women, locally, nationally and internationally.



Economic empowerment is a necessary condition for enabling women to seek justice and equality. Without economic strength, women cannot exercise their guaranteed rights. It is, therefore, necessary to seek participation of women as equal partners with men in all fields of work, equal access to all positions of employment, equal opportunities for work related training and full protection of women at work place. Economic empowerment of women, including reduction of female poverty require programs that focus on identifying, developing and promoting alternative approaches to increase women's access to and control over the means of making a living on a sustainable and long term basis. It necessitates supporting their existing livelihood, widening choices and building capacity to take advantage of new economic opportunities. It strategies to advocate that the government undertakes legislative measures to speed up women's participation in economic life, including the right of equality in property ownership and inheritance and access to credit, financial service and assistance in entrepreneurial development.

The study considered the fact that women entrepreneurial development one of the effective mechanisms for promoting women empowerment and growth vis-à-vis new development. The foremost contention of thesis as stated in the introductory chapter is that there is a large database of knowledge about existing women entrepreneurial development programs, which is seldom effectively used by women. For example, apart from demographic profile, personal and family income details and host of other background information influence women. Similarly , the Loans provided Government and reimbursement system studies.

### Conclusions

For MSME programs, the results seem to indicate that the minimalist MSMEs approach is not sufficient. Additional services like training, awareness raising workshops and other activities over and above MSMEs programs that merely focus on financial services are also an important determinant of the degree of its impact on the empowerment process of women. Future research needs to identify which factors in MSMEs programs have a greater impact on women's empowerment. The country needs to mobilize and utilize fully all its resources including human resources. The participation of women in economic activities is necessary not only from a human resource point of view but also is essential even from the objective of raising the status of women in the society. The economic status of the women is now accepted as an indicator of society's stage of development and therefore it becomes imperative for the government to frame policies for development of entrepreneurship among women. The long-term objectives of the development programs for women should aim to raise their economic and social status in order to bring them into the mainstream of national life and development. For this, due recognition has to be accorded to the role and contribution of women in the various social economic and political and cultural activities.

### References

1. Anil B Dewlkar, "Rural Employment Creation in India and Nepal", Papers and Proceedings of the Asian Development bank and the ILO Regional Workshop on Rural Employment Creation, Manila, Philippines, 24 - 28 November. 1986.
2. Holmquist, Carin and Sundin, Eli Sabeth: Women as Entrepreneurs in Sweden: Conclusion from a Survey, *Frontier of Entrepreneurship Research*, Massachusetts, USA. 1988.
3. Rani.C; Potential Women Entrepreneurs -A Study, *SEDME*, 13(3),pp. 13-32.1986.
4. Hisrich, Robert, D. And Brush, Candida, G.; Women Entrepreneurs : A longitudinal study, *Frontier of Entrepreneurship Research*, Massachusetts. USA, 1987.
5. Holmquist, Carin and Sundin, Eli Sabeth: Women as Entrepreneurs in Sweden: Conclusion from a Survey, *Frontier of Entrepreneurship Research*, Massachusetts, USA. 1988.