

Aspects of Women Entrepreneurship: A Study of Budding Entrepreneurs of Lucknow City

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Abstract

Women are creative and emotionally efficient and work well in persuasive fields which makes them good entrepreneurs. But women in India have faced comparatively more challenges in the business as well as service sector. 29.4% of women (aged 15-59) were part of India's labour force in 2021-22, as compared to 29.8% in the preceding year. In contrast, men's LFPR improved from 80.1% in 2020-21 to 80.7% in 2021-22. These numbers reflect the labour force participation rate (LFPR) based on current weekly status (CWS). This is a study of the challenges, reasons for low level of business women in technical areas and government's initiatives to promote women led businesses.

Keywords: women entrepreneurs, challenges, government loans, passion

Introduction -

“You can tell the condition of a nation by looking at the status of its women” - Jawaharlal Nehru

Women have been depicted as a symbol of spirituality in our scriptures. Yet, they are denied rights and equality in many areas. They have been assigned a position subordinate to men. The spread of education and self-consciousness among women has led to their progress. Women of today are empowered. Also, women are advancing and gaining success in every field. True female equality is only achievable when people shift their restrictive attitudes and mindsets regarding women. Women today are eager to take up professions and work, thus, equal respect and dignity in the family. Women in free India also demand equal pay for equal work in comparison to men. Also, there are provisions for maternity leave for them. Furthermore, females are given equality of opportunity under Article 16 of the Constitution of India.

Meaning of economic independence -

For working women, being financially independent may mean making her own financial decisions or being self-sustained by earning and managing her own finances. For a homemaker it may mean having monetary independence, freedom, and the ability to spend money whenever wants or sustain themselves during emergencies. It also accounts for independence in making one's own life decisions without external or familial pressure and without any guilt.

Schumpeter – “Women entrepreneurs are those women who innovate, initiate or adopt a business activity”.

Government of India – “A woman entrepreneur is defined as an enterprise owned and controlled by a woman having a minimum financial interest of 51 percent of the capital and giving at least 51 percent of the employment generated in the enterprise to women.”

Why Do Women Take Up Entrepreneurial Roles?

Financial Necessity:

The need for additional income for maintaining the living standards in the face of inflation or rising prices, women have started entering the most competitive world of business.

Desire for High Achievement:

Another motivational force compelling women to enter business world is their strong desire for high achievement in their life. In modern days, though women are educated, they are not able to find jobs in the market place or they may not be able to go out of their homes for working somewhere else because of family problems. Hence business is the best option.

Independence:

To lead an independent life with self-confidence and self-respect. The ownership and control of a successful business provides a woman entrepreneur an elevated status in the society.

Government Encouragement: The government has formulated various policies and programs to promote women entrepreneurs in the country. Such incentive schemes have induced women to undertake businesses.

Education:

Women of today are educated in various kinds of technical, vocational, industrial, commercial and specialised education so as to qualify themselves to be self-employed. Women have proved that they are no less than men in efficiency, hard work or intelligence and they can surpass men in several fields.

Model Role:

Women, like men, are also desirous of contributing their might to the economic development of the country. Similarly, our women in India would like to play a key role model. They have already entered other fields like politics, education, social field, administration, etc. Now they have started entering the business field where they can also show their achievements as in other fields.

Family Occupation:

Family occupation is an important factor motivating a woman member to participate in the family business. There is a great need for women to run business of the family and support their families so as to earn equal respect.

Employment Generation:

Another influencing factor for women to become entrepreneurs is the creation of employment opportunities for more women. Women entrepreneurs generally take up labour intensive small scale and village industries or handicrafts and they have high potential in employment generation.

Therefore, they serve as a solution to the widespread problem of women unemployment to some extent.

Growing Awareness:

With the spread of education and the growing awareness among women, number of women entrepreneurs

have been increasing, not only in the kitchen extension activities i.e. the 3 Ps viz. pickles, powder (masala) and papad or the traditional cottage industries, such as toy-making, basket-making etc. as they require less technical know-how, but they are entering also into engineering, electronics and many other industries which require highlevel technical skill. Thus, women entrepreneurs are found in such technical industries as T.V. capacitor, electronic ancillaries, and small foundries.

Thus, in modern days, women do not want to stay within the four walls of a house but they want to become like their male counterparts, achievement-oriented, career-minded and economically independent.

Adequate Financial Facilities:

Several financial schemes like Mahila Udyam Nidhi have been set up only for women entrepreneurs. Banks and developmental finance institutions also provide financial assistance to women entrepreneurs. When such facilities and support are easily available to them women are eager to start their firms.

Innovative Thinking:

Creative thinking in women motivates startups. Women who have entrepreneurial talent and who have innovative thinking are naturally induced to take up small business or industry.

Support and Cooperation of the Family:

Another important factor that induces women to take up entrepreneurship is the full co-operation and encouragement of the family members, particularly, husband, father-in-law and mother-in-law, grown-up sons and daughters and other members, if any. In a modern educated family, women members generally enjoy more liberty and economic freedom. So naturally, they will be anxious to have their own source of income from their business.

AREAS OF BUSINESS:

Women in earlier years were confined to entrepreneurship in traditional areas like food, fruits, vegetables, pickles, papads, tailoring, hosiery etc. However, often, Women entrepreneurs have branched out to several new areas like engineering, beauty parlours, jewellery, handicraft, electrical, electronics, chemical and other manufacturing. This shows that entrepreneurial *base of women expanded from traditional 3Ps – pickle, powder and papad to modern 3ES – Engineering, Electrical and Electronics.*

There are vast numbers of industries under small business sector where women are playing a major role.

Such industries can be listed as under:

Agriculture and Allied industries – such as sericulture, horticulture, dairying and animal husbandry etc.

TEA PLANTATION.



DAIRY FARMING.



Home based industries - such as handicrafts, Agarbati, Candle making, bidi industry, hosiery, and textile, doll making, jewellery pottery, designing, etc.

POTTERIES AND HANDICRAFTS.



TEXTILES AND HANDLOOM.



Modern industries – such as electrical and electronics, food processing, information and technologies, beauty industry, designing, architecture, etc.

HOMEBAKING- AN EMERGING BUSINESS.



FASHION DESIGNING.



CHALLENGES FACED BY WOMEN ENTREPRENEURS:

Although women constitute the majority of the total population, the entrepreneurial world is still a male-dominated one. Entrepreneurship is thus a challenge, and even more so if you are a woman. Despite their efforts and expertise, female entrepreneurs often struggle a lot more than their male counterparts to make it big and get recognized within the business community.

Out of 100 entrepreneurs in India, only 7 are female, says the Mastercard Index of Women Entrepreneurs. As per the Google-Bain report, only 20% of businesses in the country are owned by women, while the 2021 report by the World Economic Forum also shows a massive gender gap of 72% in India's labor market.

Fewer sectors are Women friendly
Lack of Social and Institutional Support
Poor Funding Prospects
Inclination towards Service Sector
Lack of Access to Professional Networks
Pressure to Stick to Traditional Gender Roles
Lack of an Entrepreneurial Environment
Limited Mobility
Lack of Awareness and enthusiasm
Low Risk-Bearing Ability
Balancing Responsibilities between Family & Business
Stiff Competition
Limited Industry Knowledge
Social Construct/ Longstanding patriarchal system

GOVERNMENT LOAN SCHEMES FOR WOMEN ENTREPRENEURS IN INDIA

1. Annapurna Scheme:

This loan is provided to women in the food catering industry. The loan allows these women entrepreneurs to avail it as capital requirements like buying equipment and utensils, setting up trucks, etc. Under this women's loan scheme, women can sell packed food items and snacks which is one of the most common businesses that women entrepreneurs scope out and excel in. The loan limit is Rs. 50,000 under the scheme.

2. Bharatiya Mahila Bank Business Loan:

This banking scheme for women entrepreneurs supports women and their businesses on a large scale. Women have ventured into different fields of business and are constantly pining for success. This bank has the vision to provide economic empowerment to women. The loan limit via this source is Rs. 20 Crores.

3. Mudra Yojana Scheme:

Government Women Loan Schemes offered Under Mudra Yojana are classified into three schemes, Shishu, Kishor, and Tarun, under the Pradhan Mantri Loan Yojana (PMMY).

Each loan scheme's loan amount is listed below:

SHISHU Loan: The Mudra Shishu Loan scheme provides loans of up to Rs. 50,000 (for start-ups and new businesses).

KISHOR Loan: Loans ranging from Rs. 50,001 to Rs. 5,00,000 are available under the Kishor Loan Scheme (for the purchase of raw materials, equipment/machinery, and business expansion for existing businesses).

TARUN Loan: The Tarun Loan Scheme provides loans ranging from Rs. 500,001 to Rs. 10,00,000 (for established businesses and enterprises).

4. Orient Mahila Vikas Yojana Scheme:

This women's loan scheme is for women who hold 51% share capital separately or collectively as a proprietary concern. These loans for women entrepreneurs in India do not require collateral security while also giving a concession at an interest rate of up to 2%. The period of repayment is flexible for up to 7 years and the loan limit is Rs. 25 Lakhs.

5. Dena Shakti Scheme:

This govt scheme for women's businesses is limited only to those in the fields of agriculture, retail, manufacturing, small enterprises, or micro-credit organizations. As per RBI limits, the maximum ceiling limits for women beneficiaries are also provided according to the sector they are expanding or planning to open a business in. The loan limit is Rs. 20 Lakhs.

6. Pradhan Mantri Rozgar Yojana:

Also known as PMRY, this is one of the best schemes for women entrepreneurs both socially and financially. The focus of this scheme is on creating skill-based, self-employment through women entrepreneurs and smart minds at work being utilized for monetary independence.

The scheme applies to all types of ventures in industries, trade, and services.

The age limit is 35 years.

The loan limit for business is Rs. 2 Lakh. For service and industry, Rs. 5 Lakh.

7. Udyogini Scheme:

This udyogini scheme encourages women to be self-reliant and helps them in self-development by empowering them economically to be able to do so. This women's loan scheme encourages budding women entrepreneurs by providing loans in the regard and giving good rates of interest in comparison to the private sector's skyrocketing rates, while also being a trustworthy source of lending.

This is only valid for those who have a family income of less than Rs. 40,000 per annum. They especially encourage loans in the trade and service sector and the cap amount for the same is Rs. 1 Lakh.

8. Cent Kalyani Scheme:

This government scheme for women is targeted at both new businesses and those that aim to grow and expand; the only specific emphasis is on the scheme being for Women Entrepreneurs. Retail trade, education and training, and self-help groups are not eligible for the scheme.

The eligible categories are given in detail with the rules on their website. This loan is a collateral-free loan as well with zero processing fees. The selected eligible categories of businesswomen can take the loan and expand their business through these women loan schemes for women entrepreneurs. Under this scheme, the loan limit is Rs. 100 Lakh.

9. Mahila Udyam Nidhi Scheme:

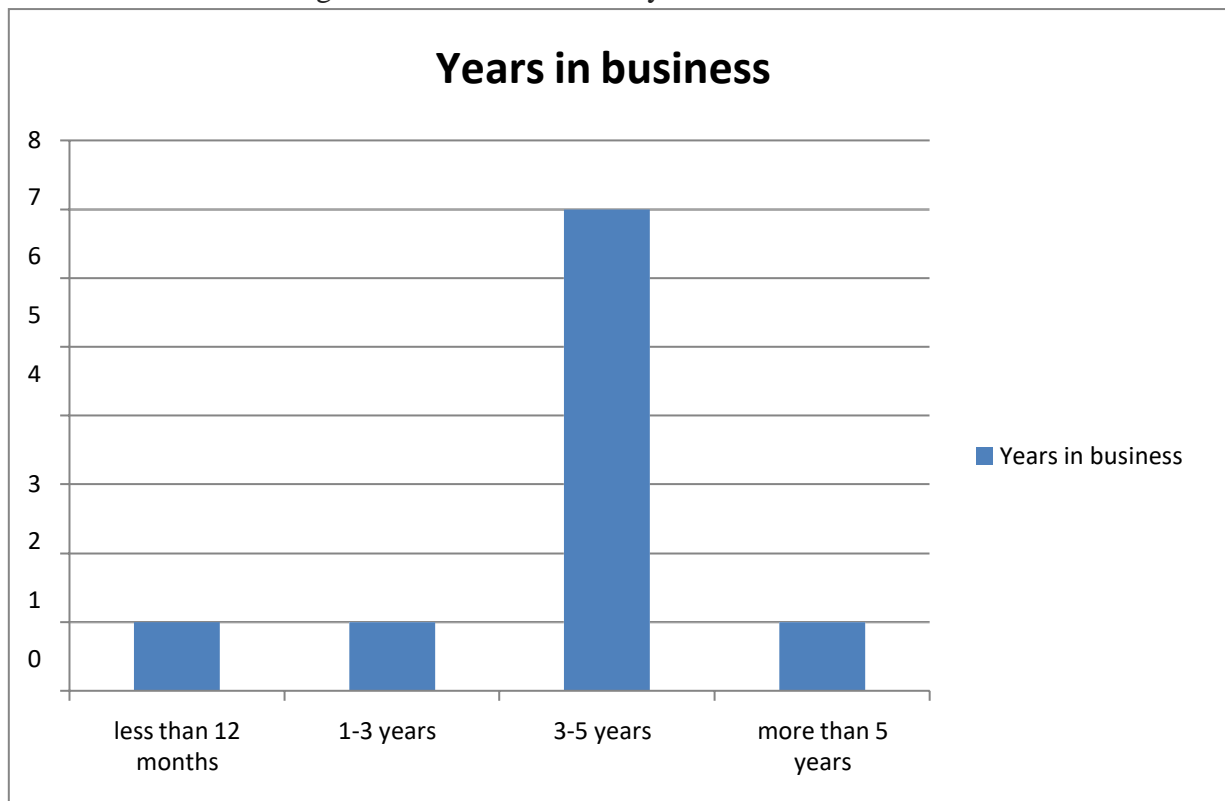
This women’s loan scheme aims to meet the gap in equity. It promotes MSMEs and small sector investments in different industries to grow and excel in their areas. This also encourages the reconstruction of SSI units that are deemed incapable but are actually viable to save. A period of 10 years is given to the debtor to repay the loan and the limit for the loan is Rs. 10 Lakhs.

ANALYSIS OF SURVEY

The respondents who have been interviewed are mainly young girls of 22 years to 30 years of age. In some questions the respondents were allowed to choose more than one options.

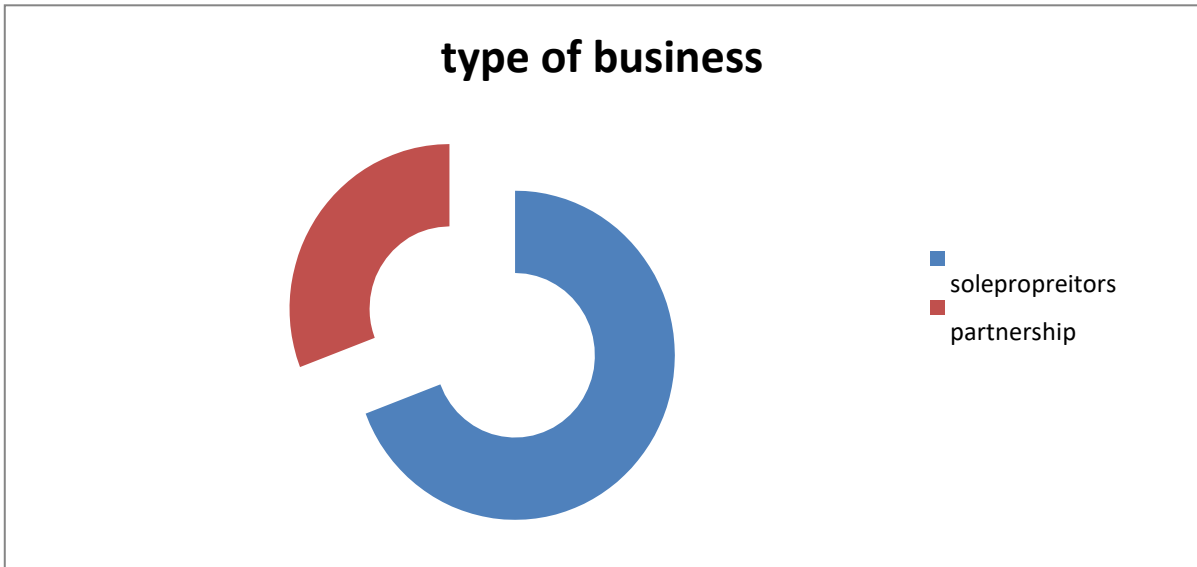
Duration of business

Most women have been doing their business since 3-5 years.

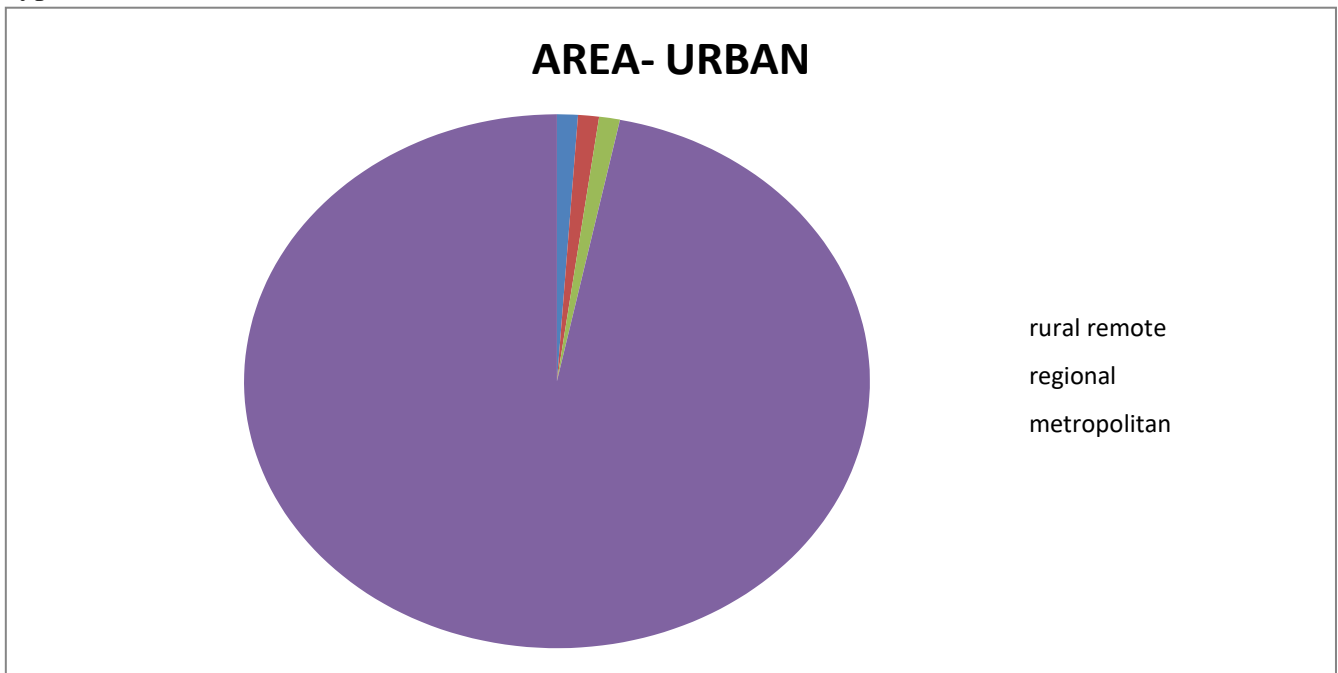


Type of Startup

Major women are sole proprietors. Some have started a partnership firm with their family or friends



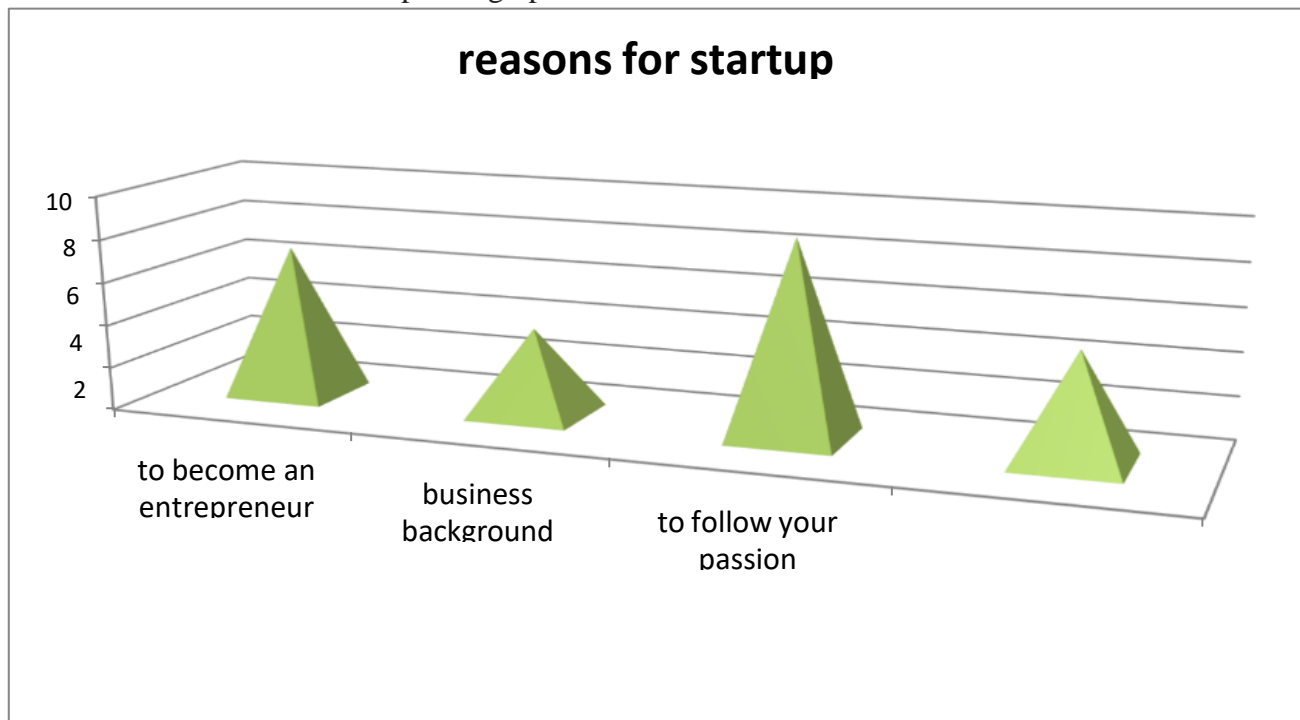
Type of area



All women surveyed are from urban section of the society belonging to orresiding in urban and metropolitan cities.

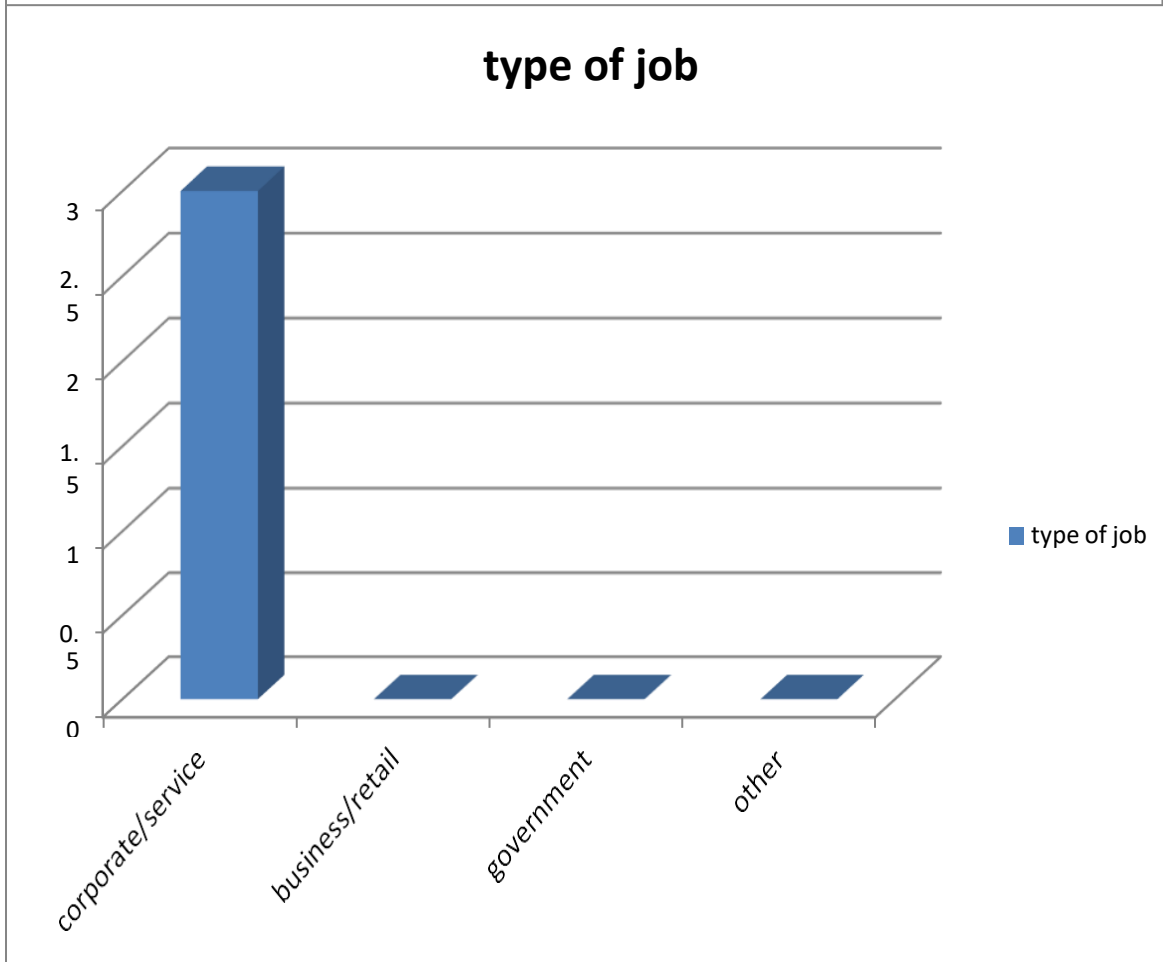
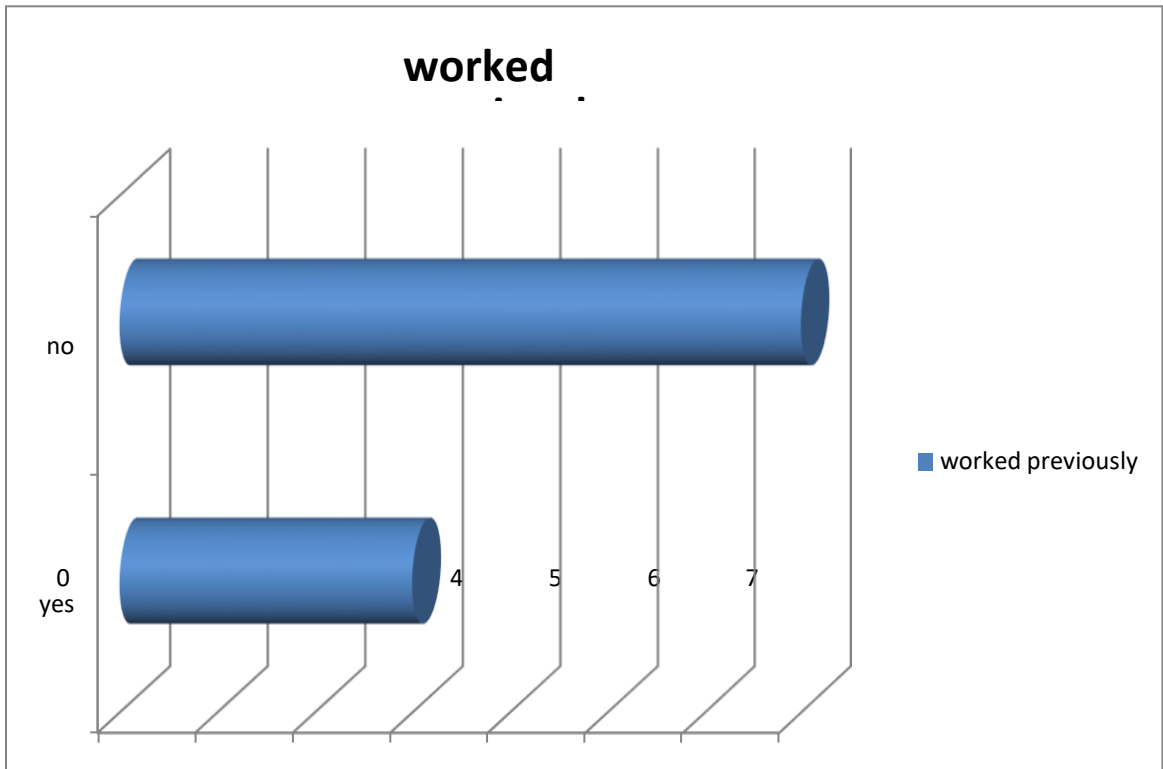
Reason for startup.

Mixed answers were received depending upon the individuals.



Worked previously.

30% women had taken up jobs prior to starting their own business.



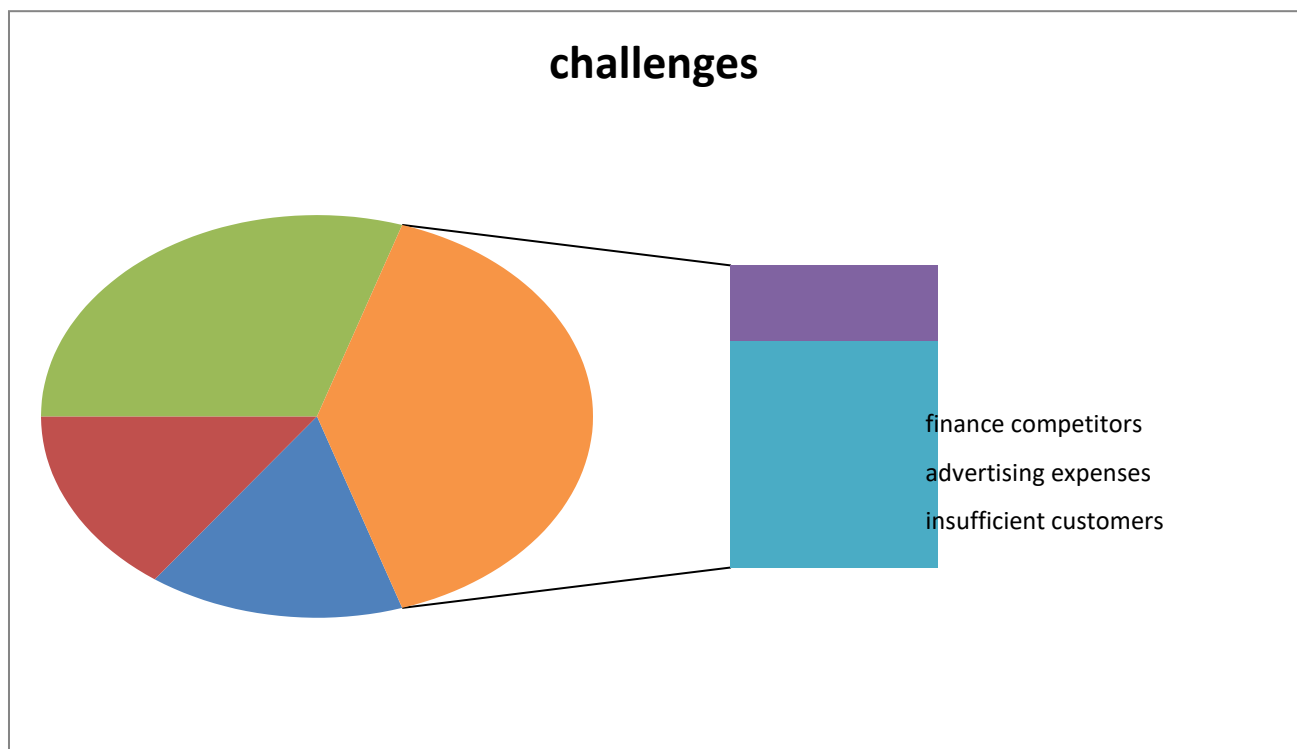
Success according to you

For most women, personal satisfaction and financial independence means success.



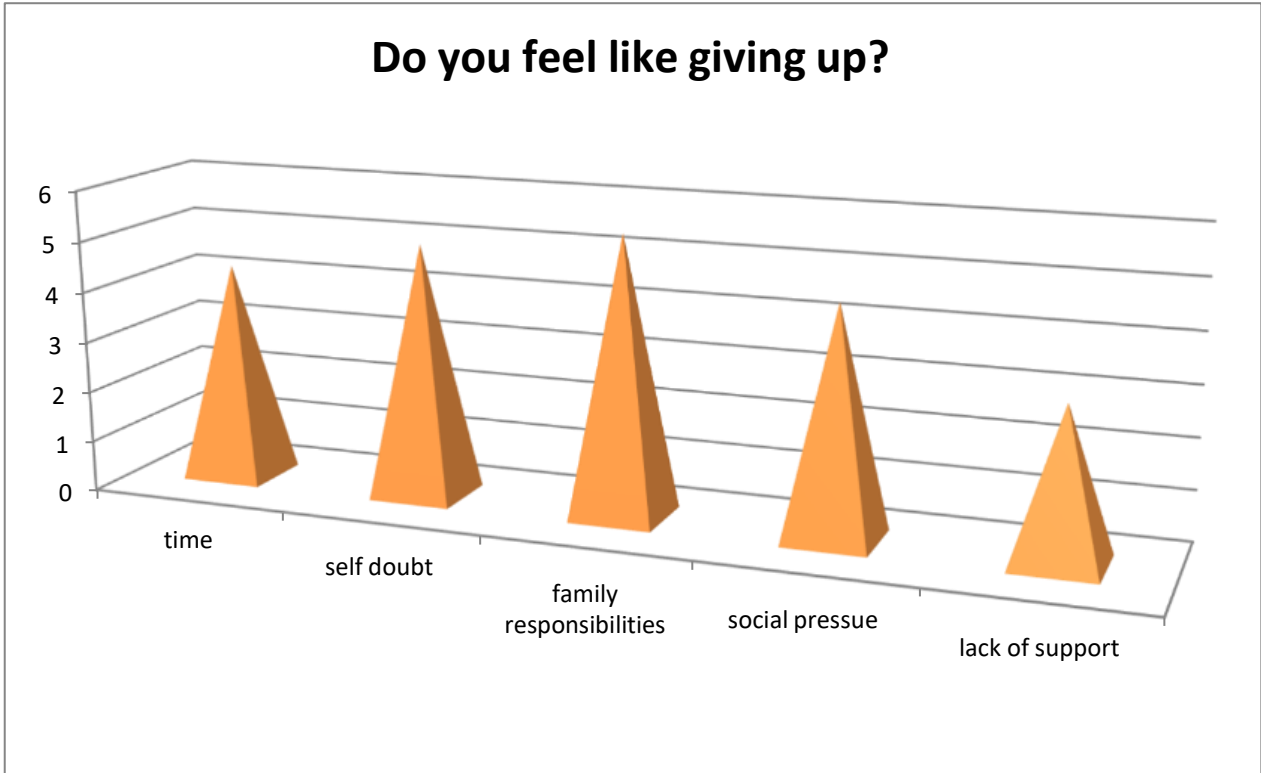
Challenges faced

Customers and advertising in the initial days were main challenges for the entrepreneurs in the initial days.



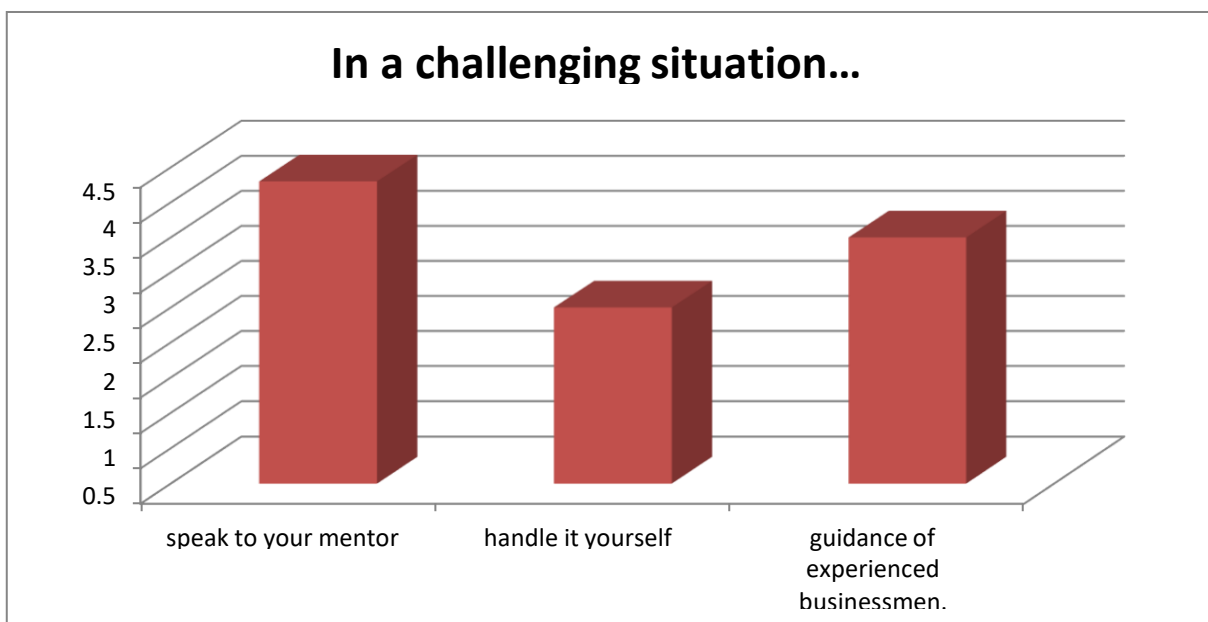
Times of disheartening days

Yes, women feel doubtful of their capabilities and feel like giving up sometimes. Family responsibilities are also the cause for a few of them to stop.



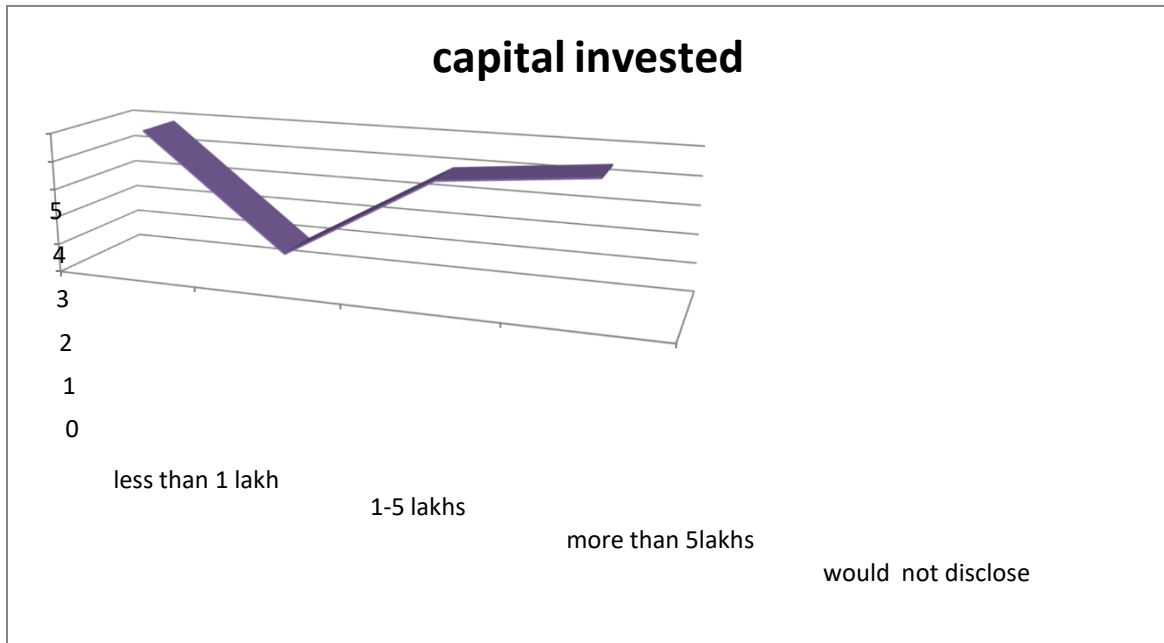
Handling stressful situations

Women seek help from all sources, from contacting mentors to experienced businessmen to discussing matters with their close ones. They also try to handle the situation themselves depending upon the severity of problems.



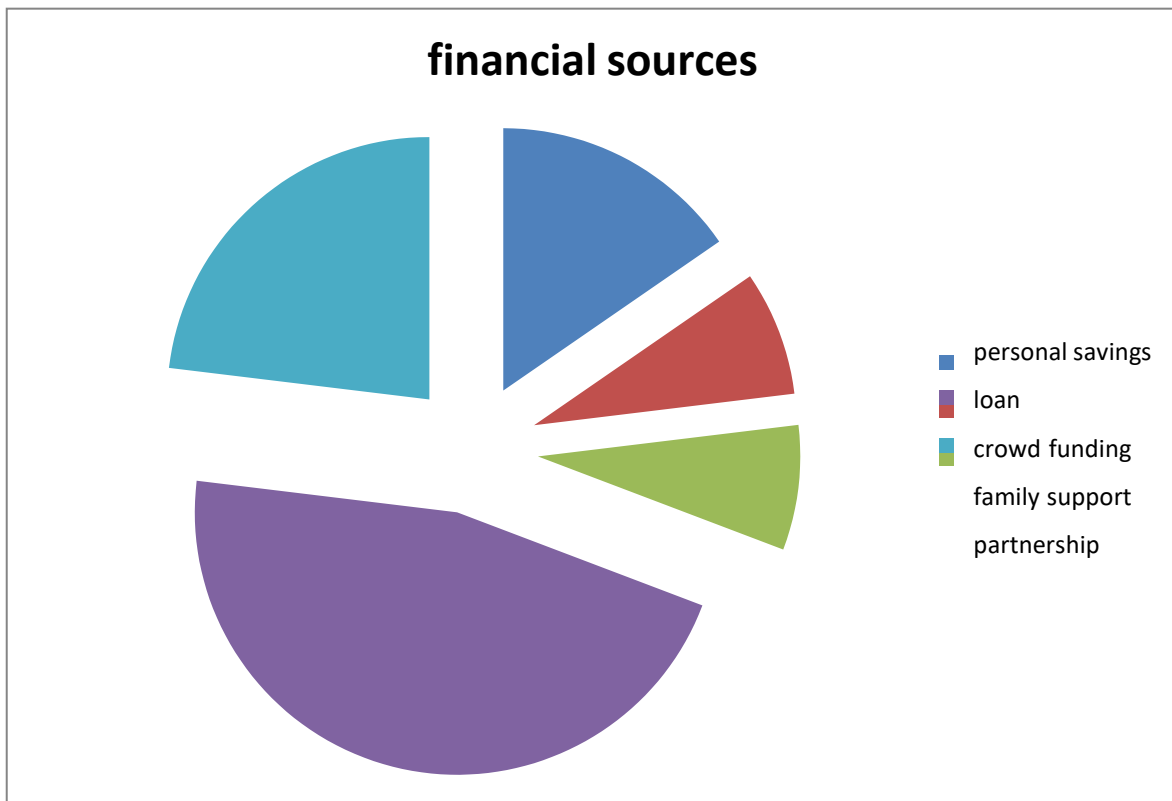
Capital investment

For majority, less than 1 lakh was invested. 20% women spent for than 5lakhs.



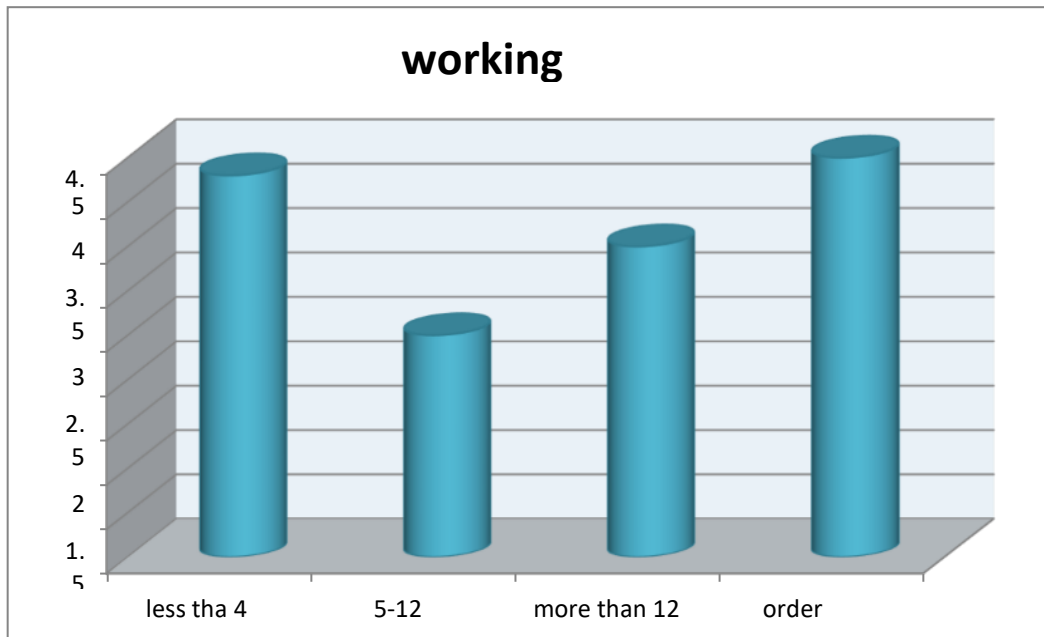
Financial sources

Family support was the main reason women could start their business.



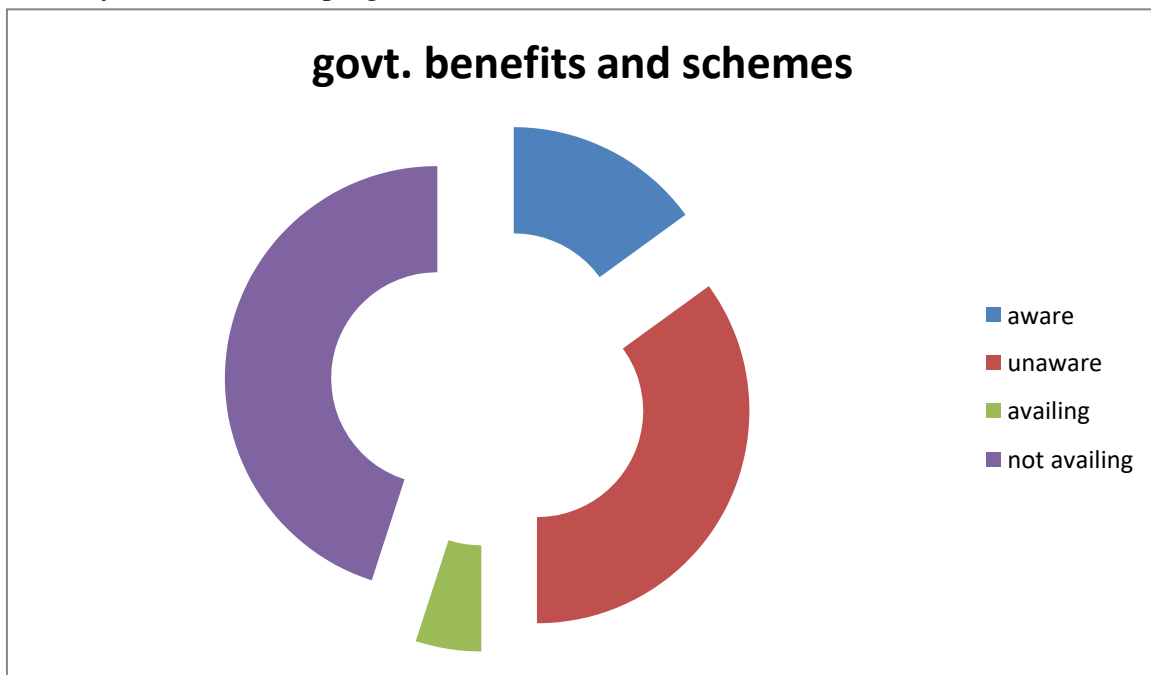
Time spent

Individuals answers were received. Some women spend less than 4 hours, some around 12 hours while others do order based work.



Government incentives

Urban sector does not benefit from government's schemes in support offemale economic empowerment. They are mostly unaware of the programmes.



CONCLUSION

The increasing presence of women as entrepreneurs has led to significant business and economic growth in the country. Women-owned business enterprises are playing a prominent role in society by generating employment opportunities in the country, bringing in demographic shifts and inspiring the next generation of women founders.

With a vision to promote the sustainable development of women entrepreneurs for balanced growth in the

country, government of India is committed towards strengthening women entrepreneurship in India through initiatives, schemes, creation of enabling networks and communities and activating partnerships among diverse stakeholders in the startup ecosystem.

Today more and more women are coming forward to participate in various economic activities. Undoubtedly, women's entrepreneurship is of utmost importance to initiate the process of economic development in any country. There is no field as such in which women cannot work.

Women constitute about 50 percent of the total population and their contribution is vital to participate in nation-building. In the urban areas like Lucknow women are supported in upper middle class families. However, they still take up traditional gender roles as Designing, make up, boutique etc. When asked, women mentioned the bias they had to face in the job sector and difficulty of capital and assistance. Hence, easier way is for them to follow their passion and earn out of it. Women who take up feminine and creative roles are more supported by family. However, there is still a lack of women in areas as engineering, technology, real estate based business.

Some of the statistics of women entrepreneurship in India: In India, 58.5 million entrepreneurs, nearly 14% are women

The businesses that are women-owned in India provide employment for 45 million. Only 2% of the start-up funding went to a woman founder in the year 2017. As per McKinsey Global Institute of study that was made in the year 2015, shows that India's Gross Domestic Product by the year 2025 could rise between 16-60 if women participated equally with the men in this economy. As per a report, by the year 2030 women business owners could potentially create 150-170 million jobs in India. As per Google, Bain & Company report, India has 13.5-15.7 million women who own businesses and represent 20% of all enterprises.

Entrepreneurship among women helps to create positive outcomes for Economies, societies, and individuals.

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