



A Study of Growth, Opportunities and Challenges of Women Owned Micro Enterprises in Uttar Pradesh

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ABSTRACT

This paper is all about showcasing the situation of Women Entrepreneurship in Uttar Pradesh. The whole concept of Women Entrepreneurship is extending a new meaning to the women in all over the world help them in showing their intelligence in all fields competing equally with their men counterparts. Women entrepreneurship is integral for every country that wants to develop their economy faster. For competing with developed nations, women and men should participate in all matters to do on equal basis. In India the situation is still not changed, gender-based discrimination, superstitions, prejudiced mindset against women compel them to take a back from entrepreneurial ventures. Women have succeeded in all areas like home maker, teacher, lawyer, engineer, doctor, pilot, scientist, economists, etc., in fact, women single-handedly manage and control the entire home and family related responsibilities like procuring groceries etc at best prices using their bargaining power show their inventory planning, cooking food with minimum wastage show their efficient manufacturing ability, managing bills and expenses like a finance manager hiring and making efficient use of domestic help and strengthening relations with them and also with entire family and outside home considering everyone's expectations and aspirations just like an HR efficiently, then why can't she manage the industrial corporation in an efficient manner. The paper focuses on the opportunities and challenges of women entrepreneurs in Uttar Pradesh along with their growth in recent past. It focuses on reviewing the existing government support provided to them and suggest newer bone to implement so that challenges can be tackled and opportunities can be tapped by women entrepreneurs.



INTRODUCTION

Women Entrepreneurs are the woman or a group of women who initiate, organize and function a business enterprise. The Government of India has defined women entrepreneurship as “An enterprise owned and controlled by a woman or group of women having a minimal financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated by the enterprise to women”.

Women entrepreneurship is not a new concept now-a-days to the human living in city but, in the rural areas where subculture play a significant role in doing every activity. Women entrepreneurship may be a new notion to them female coming out of their home for their economic independence, most of them were not be aware of this concept in earlier decades. In Modern India, more and more females are taking up entrepreneurial activity. Women across India are exhibiting an attentiveness to be economically independent.

WOMEN ENTREPRENEURS

Women entrepreneurship is the procedure in which female take lead and establish an enterprise. Though at earlier stage women entrepreneur developed only at urban areas, recently it has extended its wings to rural and semi- urban areas too. Although before women were concentrated a whole lot on common activities, due to the advent of education and favourable Govt support policies led toward improvement of women entrepreneurship. The Govt. and Non-Govt. organisations are providing better premises to promote entrepreneurship among women and develop women entrepreneurship to setup their ventures.

REVIEW OF LITERATURE

Dr. A K Srivastava (2007) certified this in their paper that ‘Various researchers have shown that women contribute to a very large extent to their family businesses that go unnoticed and unappreciated. It is observed that the family members tend to ignore the efforts of their women in enterprise. Many of such enterprises where women hold the controlling shares are in fact run in their names by men and who control operations and decision – making.’

Dr. Shashi Saini (2016) discussed the multi- role responsibility and attempts to negotiate them in her research paper. She said that Professional women take on multiple roles in daily life. Some roles are by choice and other roles are chosen for women. Along with the work responsibilities women roles often include daily household chores, family and social obligations, caretaking for children/ elderly parents as well as other roles. As the experiences of these women professionals’ shows that their different roles emerged as a



source of conflict because they struggle hard with the daily pull raising a family or caring for elderly parents and othersocial obligations along with their career demands and commitments. They felt that their domestic responsibilities which traditionally viewed as women domain inhibited the pace of their career progression compared to their male colleagues.

Meenu Goyal and Jai Prakash (2011). Women family obligations and certain responsibilities lacking them to become a successful entrepreneur. The financial institutions are having wrong opinion about women entrepreneurs, anytime they might become again housewife. Indian women give more importance to family members. They should handle dual role as a housewife and businessmen. If there is no support from family members it is difficult to women to succeed as an entrepreneur.

Singh and Raina (2013) described the problems and challenges faced by women entrepreneurs in India and also analysed the policies of Indian government for women. The study mainly focused to find out the status of women entrepreneurs in India. The study found that in modern India, more and more women are taking up entrepreneurial activity especially in MSMEs. It also observed that Indian women have imprinted a position for themselves in the male dominated world. It further showed that Indian women can well manage their household work as well their workplace deadlines.

OBJECTIVES

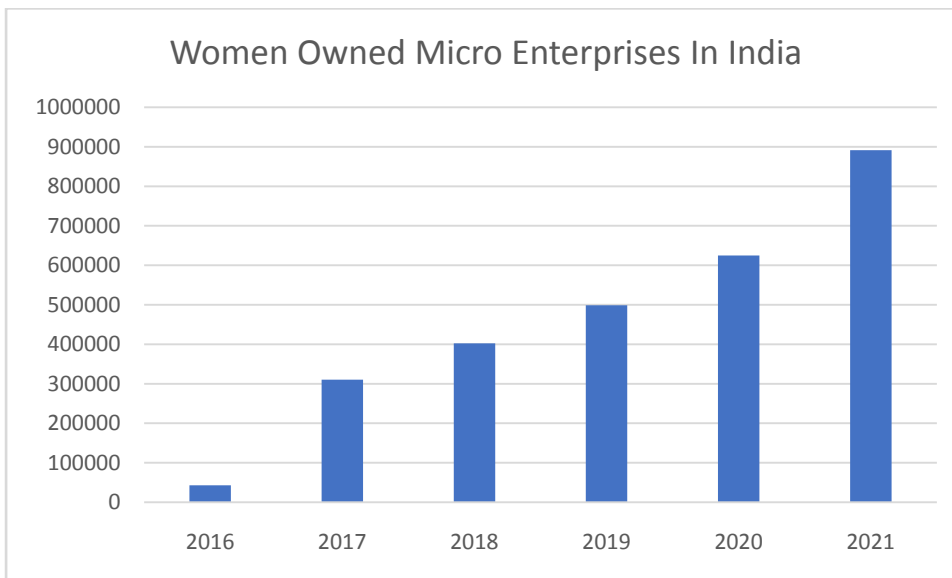
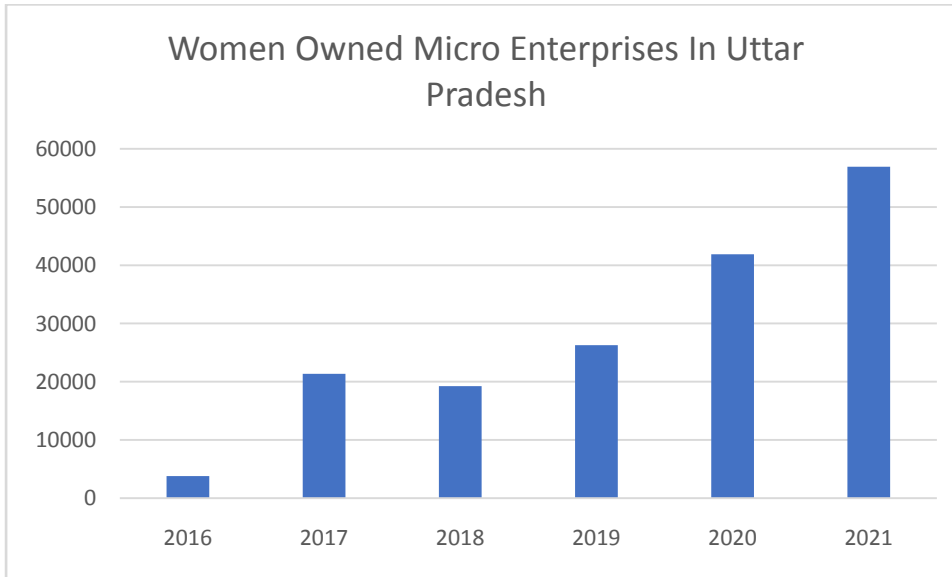
1. To show relative position of UP to India in respect of women entrepreneurship.
2. To analyse and forecast the growth of women owned MSME in Uttar Pradesh.
3. To understand various opportunities and challenges faced by women entrepreneurs and provide suggestions for future betterment.

RESEARCH METHODOLOGY

The data used in this study is secondary in nature and procured from official websites of Ministry of MSME, Annual Reports of MSME, UAM registrations, and Udyam registrations etc. The data regarding women entrepreneurs registered in state of Uttar Pradesh on Udyog Adhar Memorandum and Udyam registrations Portal for the period of 2016-2022 is taken into account. CAGR is used in methodology.

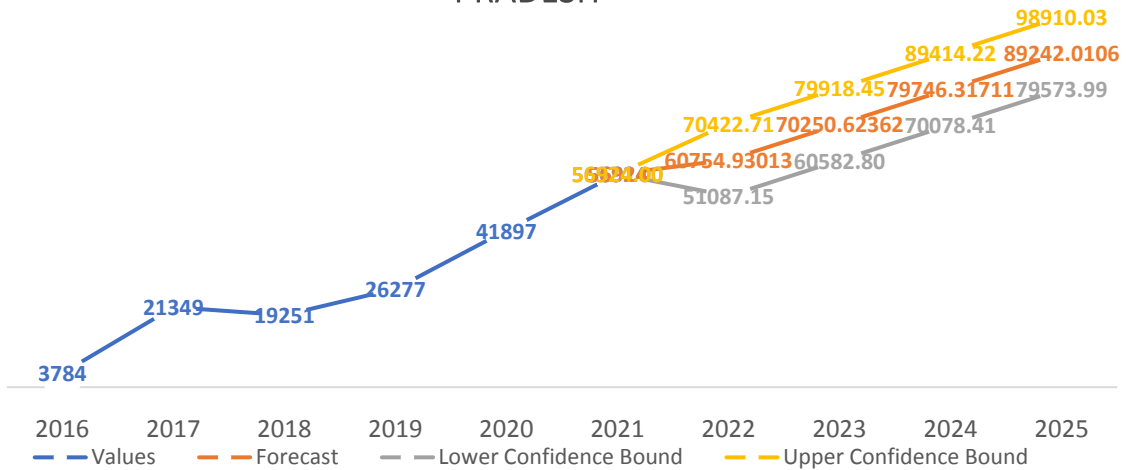


FINDING AND CONCLUSION





FORECAST OF WOMEN OWNED MICRO ENTERPRISE IN UTTAR PRADESH



The data analysis has been done on the data published in udyogadhar memorandum (UAM) for the period of 2016-2020 and then Udyam Registrations 2020-2022, the data regarding women entrepreneurs has not been available in past years Entrepreneurs Memorandum EMII (2007-15) that is why the study is restricted to six years (2016-22) and the process of registration is optional not mandatory that may affect our conclusion but researcher has considered all these effects in this study and data is categorised into micro small and medium women enterprises so that clear picture of all these three can be seen, The Compound Annual Growth Rate(CAGR) of India in case of micro women enterprises was 65.78% (2016-22) while in UP it was 57.11% shows that growth in UP is slower than national average, while in case of small and Medium enterprises owned by women shows completely different picture as India's CAGR (2016-22) were 17.36% and 29.92% respectively in comparison to CAGR (2016-22)of Uttar Pradesh's Small and Medium enterprises owned by women were 31.4% and 43.2% shows faster growth than national averages. The annual growth in number of women owned micro enterprises in India was 23.97% from 2018 to 2019 whereas the annual Average growth rate from 2020 to 2021 was 25.25% and in 2021-22 was 42.66% which is quite higher than that of 2018-19 and in case of Uttar Pradesh the AAGR of women owned micro enterprises was 36.4% in from 2018 to 2019 and rose to 59.44% from 2020 to 2021 the reason behind such growth is not only the performance of Micro enterprises but due to the reclassification of MSME in aatmanirbharbharat package which increases the ceiling on investment in plant machinery leads to increase in number of micro enterprises as those units which were small enterprises earlier now become micro enterprises after 2020. When we talk about the proportion of women MSME in UP to India, data shows that representation of UP in women entrepreneurship is quite less being most populous state of India and being the state having highest number



of MSME in 73rd round of NSS in 2015 showing that UP is still having almost 90-95% MSME owned by Men. The arithmetic-mean of proportion of micro enterprises in UP to India (2016-22) was 6.47%, small was 5.63%, and medium was 5.87% showcasing that women entrepreneurship is extremely less being such a big state contributing less than 10% to women entrepreneurship in India. The Govt of Uttar Pradesh should learn from the states with high percentage of women entrepreneurship to understand why is it still a laggard in this respect, because a state with highest number of MSMEs in India, ranks extremely low in terms of participation of women in entrepreneurship, Govt should encourage women by resolving their issues related to entrepreneurship so that Uttar Pradesh can become a state with highest representation of women in entrepreneurship.

Challenges Faced by Women Entrepreneurs InIndia

To suggest solutions to the challenges faced by women entrepreneurs in India, it is important to identify what the challenges are. Once these challenges have been identified, then you will easily suggest the solutions to solve them through the various government schemes for women.

- Difficulty in availability of Finance
- Lack of Education
- Low Risk-Taking Abilities
- Lack of self-confidence.
- Burden of Family Responsibilities
- Poor Networking Skills
- Security and Safety Issues

Suggestions for boosting Women Entrepreneurship

For quicker growth in women entrepreneurship in Uttar Pradesh, Govt is providing various schemes related to procurement of land to micro financing, education to law and order etc. which are mentioned below. The government of Uttar Pradesh has revamped its strategy to support micro, small and medium enterprises (MSMEs) and promote women entrepreneurship. **According to the report by Business Standard**, women business owners would get 100% stamp duty subsidy on land purchases for establishing micro and small units under the proposed new policy. Besides, a 50 to 100 percent subsidy will be given to other MSMEs, depending on their location in the state. Compared to the central and western districts, the less developed regions such as Bundelkhand and Purvanchal in eastern Uttar Pradesh would have lower stamp duty rates. This is made in an effort to encourage new investment, especially in the manufacturing sector, outside of the



Western UP National Capital Region (NCR) districts and in underdeveloped areas. The state would grant a 100 percent stamp duty grant in Bundelkhand and Purvanchal, while central and western Uttar Pradesh (apart from Noida and Ghaziabad) would receive a 75 percent subsidy. In Gautam Buddha Nagar in Noida and Ghaziabad, the state government might offer a 50 percent stamp duty subsidy.

❖ **Mudra Loan for Women**

- **Shishu Loan:** The maximum loan amount granted to businesses in the initial stage is Rs. 50,000.
- **Kishor Loan:** This loan is for businesses that are already established but wish to improve services. The amount of loan granted varies from Rs. 50,000 to Rs. 5 Lakhs.
- **Tarun Loan:** This loan is for well-established businesses planning to expand their reach and is short on capital; they can avail as much as Rs. 10 Lakhs for the purpose.

❖ **Annapurna Scheme**

Under this, the Government of India offers women entrepreneurs schemes in food catering businesses loans up to Rs. 50,000. The borrowed amount could be used for working capital requirements such as buying utensils, mixer cum grinder, hot case, tiffin boxes, working table, etc.

After the loan is approved, the lender doesn't have to pay the EMI for the first month. Once sanctioned, the amount has to be repaid in 36 monthly instalments. The interest rate charged is determined based on the market rate and the concerned bank.

❖ **Stree Shakti Yojana**

Stree Shakti scheme is eligible for women who have the majority of ownership in the business. Another requirement is that these women entrepreneurs be enrolled under the Entrepreneurship Development Programme (EDP) organised by their respective state agencies. This Stree Shakti scheme allows women to avail of an interest concession of 0.05% on loans more than Rs. 2 lakh.

❖ **Dena Shakti Scheme**

The Dena Shakti Scheme provides loans up to Rs. 20 lakh for women entrepreneurs scheme in agriculture, manufacturing, micro-credit, retail stores, or small enterprises. This government scheme for women also provides a concession of 0.25 percent on the interest rate. In addition, women entrepreneurs can avail of a loan of up to Rs. 50,000 under the microcredit category.



❖ **Bhartiya Mahila Bank Business Loan**

Initiated by The Bhartiya Mahila Bank (BMB), this is a public sector banking company that offers loans schemes for women entrepreneurs up to Rs. 20 Crores for working capital requirements, business expansion, or manufacturing enterprises. Some of the different plans under the BharatiyaMahila Bank Business Loan scheme includes:

- **Shringaar:** The BMB Shringaar loan applies to self-employed women or homemakers planning a start-up or meeting their daily business expenses. The loan doesn't require you to provide any collateral security.
- **Parvarish:** Similarly, the BMB Parvarish loan is for self-employed women or homemakers to set up day-care creches. The upper limit of this loan can be Rs. 1 Crore without any collateral security under the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGSTSM) scheme.
- **Annapurna:** Between 18 to 60 years, food entrepreneurs wanting to start or expand their small businesses can avail of this loan. Its features are similar to that of the State Bank of Mysore's Annapurna scheme, minus that it does not require collateral security.

❖ **MahilaUdyam Nidhi Yojana**

One of the most popular government schemes for women entrepreneurs, the MahilaUdyam Nidhi Scheme, is offered by **Punjab National Bank** and **Small Industries Development Bank of India (SIDBI)**. The scheme supports women entrepreneurs to set up a new small-scale venture by extending loans up to Rs. 10 lakh to be repaid in 10 years. The rate of interest charged depends upon the market rates.

❖ **Orient Mahila Vikas Yojana Scheme**

Oriental Bank of Commerce launched the scheme, women with an ownership of 51 percent share capital individually or jointly in a proprietary concern can avail a loan through the Orient Mahila Vikas Yojana. There is collateral required for loans between Rs. 10 lakhs to Rs. 25 lakhs. The repayment tenure of the loan is seven years. Orient Mahila Vikas Yojana Scheme also provides a concession on the interest rate of up to 2 percent.

❖ **Cent Kalyani Scheme**

The Cent Kalyani Yojana is a government scheme for women that can be availed by both existing and new entrepreneurs and self-employed women. Micro/small enterprises like farming, agriculture, cottage



industries, and retail trade are all eligible to apply for the Cent Kalyani Scheme. You do not have to provide any collateral as security or need any guarantors for this loan. The interest rate on loans depends on market rates. The repayment tenure of the loan will be a maximum of seven years.

❖ Udyogini Scheme

The Women Development Corporation has implemented the Udyogini Scheme under the Government of India. This scheme promotes and motivates women's entrepreneurship among the poor by providing financial support to women. This scheme majorly supports and helps illiterate women living in rural and backward areas.

Source: Bajajfinservmarket.com

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