
Pros and Cons of Government Support in Creation of Women Entrepreneurship in Medium and Large Scale Industries in South India

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Abstract: *Today, women in India are scaling equal to that of men in different fields of business, which enabled government to concentrate on creation and development of women entrepreneurship in India. Government of India has launched different financial and other schemes in which some are meant specially for women like Stand-Up India scheme which provides loan only to women and SC/ST entrepreneurs. As on 31.01.2020, 70% of the total loan borrowers of Pradhan Mantri MUDRA are Women. As on 17.02.2020, more than 81% account holders under Stand Up India Scheme are women and Rs. 9106.13 crore has been disbursed for women account holders. We can find women's taking initiatives in different fields but majority of the women entrepreneurs are limiting themselves to small sector. Even though this is help them to become self-employed but focusing on medium and large scale entrepreneurship can help to boost the economic growth. Therefore, the present study tries to find out reasons behind women's taking entrepreneurship in small sectors in large number instead of medium and large scale entrepreneurship. Primary data using telephonic interview, have been extracted from women entrepreneurs who have taken government support in creating their entrepreneurial initiative. Convenience sampling method has been used to select samples.*

Entrepreneurial qualities and skills are essential for industrial development as well as eradication of poverty by means of creating self employment and employment to others. The Central and the State governments are trying their best for promotion of entrepreneurship among the economically backward castes, particularly scheduled castes and scheduled tribes through policy measures and institutional network. Keeping in view the need and importance of the entrepreneurship development among under privileged communities in the present

era of globalisation, the present study is undertaken to probe into the entrepreneurial process, problems and challenges faced by the SC/ST entrepreneurs and to make some possible suggestions.

Key Words: *Women Entrepreneurship, Government Financial Schemes, Pros and Cons.*

1. Introduction

An entrepreneur is a business person who not only conceives and organizes ventures but also frequently takes risks in doing so. India is a developing nation which requires many different strategies to grow in a competitive world. Entrepreneurship development is a key strategy which helps nation to develop and compete globally. Presently, we have women entrepreneurs who are taking entrepreneurship initiative with the support of government financial and other schemes. As we know finance is the life blood of business, and financial support to women can become foundation in creating entrepreneurship mind-set. Government financial schemes like MUDRA, Stand-Up India, Pradhan Mantri Employment Guarantee Yojana are implemented to help every individual to create entrepreneurial intension, and women are also attracted towards these schemes and started establishing new ventures in various sectors using these financial benefits.

1.1 Small Scale Business

Small scale Industries or small business are the type of industries that produces goods and services on a small scale. These industries play an important role in the economic development of a country. The owner invests once on machinery, industries, and plants, or take in a lease or hire purchase. These industries do not invest more than one crore. Few examples of small-scale industries are paper, toothpick, pen, bakeries, candles, local chocolate, etc., industries and are mostly settled in an urban area as a separate unit (Large Scale Industries – Definition, Advantages and Examples, n.d.).

1.2 Large Scale Industries

Large scale industries include various types of industries in its purview. Large scale industries comprise multiple heavy and light industries. The heavy industry like steel, textile and automobile manufacturing industry falls under the category of large scale industries (Large Scale Industries – Definition, Advantages and Examples, n.d.).

2. Objectives of the Study

- i. To understand the need for creation of women entrepreneurship in India.
- ii. To understand the necessity of women entrepreneurs in medium and large scale industries.
- iii. To study the benefits and limitation of government support in creation of women entrepreneurship in medium and large scale industries.

3. Scope of the Study

The scope of the study is extended to understand the reasons behind women who are not involving themselves in medium and large scale entrepreneurship even after the government is extending their support throughout entrepreneurial activities. The study can be taken to understand the importance of women role in medium and large scale industries.

4. Limitations of the Study

Study tries to identifies the necessity of women in medium and large scale industries and it ignores role of women in small scale industries. Convenient Sampling is used to select respondents which may limit to generalise the study.

5. Significance of the Study

Women entrepreneurs are emerging in different business activities, which are creating employability and improving standard of living of the family of each women entrepreneurs. But majority of the women entrepreneurs are limiting their initiative to only small scale industries. Promoting these women entrepreneurship in medium and large sector has multiple benefits to the society, may be in the form of large employment or industrial development. Therefore, study related to identifying the reasons behind majority of the women stepping back to take up entrepreneurship in large scale sector has benefits not only to knowledge seekers but also for the government and society.

6. Research Methodology

As the study needs to be taken care from different perspective to get better result, the research is made taking into consideration of factors like 'pros and cons of government support in creating entrepreneurial mind-set among

women entrepreneurs in large scale sectors' 'Reasons behind women's stepping back to take up entrepreneurial initiative in large scale sectors'. Convenient sampling method is used to select 100 women entrepreneurs in small scale sectors who have taken government support to establish entrepreneurship in South India. Telephonic interview method is used to collect responses to the structured interview questions. All South Indian states namely Karnataka, Tamil Nadu, Kerala and Andhra Pradesh/Telangana state have been taken for the study.

6.1 Identification of the Research Gap

The subject under research "Pros and Cons of Government Support in Creation of Women Entrepreneurship in Large Scale Industries" includes different concepts like "Women Entrepreneurship", Women in Medium and Large scale industries", "Government support to women in creation of women entrepreneurship". Previous studies discussed the role of women entrepreneurship in small scale sectors, role and responsibilities taken by women entrepreneurs in creation of employment opportunities, women entrepreneurship and its contribution to increase standard of living of the family (Xavier et al., 2012), (Sharma, 2020), (Kar, 2014). The present study identifies need for creation and development of women entrepreneurship in medium and large scale sectors with the support of government support.

6.2 Review of Literature

In the study Xavier et al., (2012) explored that women entrepreneurs made a change from salaried employment to ownership of small and medium businesses. The study highlighted that the five least possessed entrepreneurial skills were computer knowledge, enhance competitiveness in the market, risk taking, good strategic management and planning practices, controlling productive resources and good marketing strategies. The study demonstrated that corporate women entrepreneurs did not enter the business world due to family commitments but rather due to personal achievement, independency and autonomy which seems to parallel the pull factors theory.

In the study Sharma, (2020) explored that women who already had their family business felt that the business is in their blood only. Many of them also feel that instead of sitting idle and doing nothing, they took up the entrepreneurial path because they wanted to do something full of creativity and imagination. He concluded that the women in India have to play a very vital role in the socio-economic development of the nation.

(Das, 1999) The study also suggests that there is a rationale for focusing on ‘created’ or ‘pulled’ entrepreneurs, as they seem to perform better and seem to view their success as resulting from the business skills they possess. Women who were forced into entrepreneurship also did better than ‘chance’ entrepreneurs. It may, hence, be inferred that financial motivations can lead to success in entrepreneurial activities.

6.3 Women Entrepreneurship in India

Women entrepreneurs are those who have initiated businesses and have been actively involved in managing it; own at least 50% of the firm, and have been in operation for one year or longer (Moore, D.P. and Buttner, 1997). Stand Up India Scheme was launched on 5 April 2016 to promote entrepreneurship at grass root level for economic empowerment and job creation. This scheme seeks to leverage the institutional credit structure to reach out to the underserved sector of people such as Scheduled Caste, Scheduled Tribe and Women Entrepreneurs so as to enable them to participate in the economic growth of nation. Pradhan Mantri MUDRA Yojana (PMMY) was launched on April 8, 2015 for providing loans up to 10 lakhs to the non-corporate, non-farm small/micro enterprises. These loans are given by Commercial Banks, RRBs, Small Finance Banks, MFIs and NBFCs.

Table 1. Women in Stand-Up India Scheme

Number of account opened	Total sanctioned amount (in crores)	Total disbursed amount (in crores)	Total percentage of account holders
73,155	16,712.72 crore	9106.13	81%

Table 2. Women in MUDRA Scheme

Total sanctioned amount (in crores)	Total disbursed amount (in crores)	Total percentage of account holders
22.53	15.75	70%

6.4 Need for Women Entrepreneurship Development in Medium and Large Scale Sectors in South India.

Women in South Indian states namely Karnataka, Tamil Nadu, Andhra Pradesh/Telangana and Kerala is emerging with entrepreneurship through utilising government financial schemes like Stand-Up India and MUDRA. Development of women Entrepreneurship in India is an essential requirement of government to reduce unemployment and make women self-employed. This move can be further improvised by supporting women to take-up entrepreneurship in medium and large scale sector. As we can witness small scale sectors in south India fails to provide societal benefits and it enriches only women in the society. Medium and Large scale sectors can reduce the burden of government in developing economy. Therefore, women need to be motivated enough to expand their small scale entrepreneurship to higher level so that entire society can be benefited. We can find women in large scale sectors also but which is in small number and majority are from strong family background and not taken much support from government schemes. Those women who take government support in establishing the entrepreneurship limit themselves to very less risky entrepreneurship due to different reasons. Some reasons may be from limitations of government schemes and huge documentation needed to get the loan so on. Once the women find way to shift from present small scale business to large scale, then we can find a rapid economic development in very less time period. This must be made possible by removing barriers which are restricting women entrepreneurs. The study tries to identify those barriers and discuss proper methodologies to overcome those barriers.

7. Results and Discussion

The structured interview data collected from 100 women entrepreneur in small scale sectors in South India using telephone interview method are presented below. Similar responses are presented under particular themes.

Total Respondents: **100**

Table 3: Themes and Codes of Responses

Respondent's State	Total Respondents	Number of times responses related to particular theme is received from each state	Themes of Responses						Total responses and percentage
			Financial Difficulties	Lack of Support from family	Lack of government support	Comfortableness in small scale industries	Lack of Interest	Risk Involved	
Karnataka	25		21	18	16	18	16	21	110
Tamil Nadu	25		21	13	08	14	15	18	89
Kerala	25		19	08	17	15	21	19	99
West Bengal/ Telangana	25		18	15	14	21	15	14	97
Total	100		79	54	55	68	67	72	395
Percentages			20%	13.67%	13.92%	17.22%	16.96	17.22%	16.96%

Source: Author's own

Note: 1) Numbers in the above table denotes, number of times similar responses received from the respondents under each theme.

2) Percentage is calculated using the formula:

$$\frac{\text{Total responses under each theme} \times 100}{\text{Total Responses}}$$

As we can see from the above table that, out of total 395 responses from 100 respondents, majority, that is 20% of the responses received states that women are finding it difficult to identify and get the finance from the proper source. 18.23% of responses stated that women are not ready to take much risk and they want to live with small scale business which do not possess high risk and 17.22% of responses stated that women are comfortable in small scale industrial entrepreneurship instead of taking huge burden with medium and large scale entrepreneurship. Other responses also highlight problems such as lack of support from the family, lack of interest in taking big businesses and lack of government training facilities and motivation. From the data we got from the study we can identify majority of the women coming forward to take entrepreneurship to become self-employed and live with minimal standard of life. As government is providing many training facilities, financial and other supports which need to be developed in such a way that it should reach every women entrepreneur. Proper awareness should be created in developing the entrepreneurship instead of only creating entrepreneurship mind-set.

8. Conclusion

Women are scaling equal to that of men in every business activity and this needs to be identified and developed in such a way that women entrepreneurship can grow in shorter time. Study shows women are coming forward to take-up entrepreneurship but are worried about different factors to take high risk and start or develop an entrepreneurship from small scale to medium and large scale sectors. As the days move, we can see majority of the women becoming self-employed instead of working as employee. This development is creating benefits in many ways and government should take this into consideration and help them to develop their entrepreneurship.

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