

WOMEN ENTREPRENEURSHIP IN MSME SECTOR

The Government of India has ensured that all policy initiatives are geared towards enabling equal opportunity for women, recognising the importance of women's entrepreneurship and economic participation in enabling the country's growth and prosperity. The government seeks to bring women to the forefront of India's entrepreneurial ecosystem by providing access to loans, networks, markets and training. The MSME sector offers multiple opportunities to empower women by promoting entrepreneurship among women and plays a crucial role in the process of economic and social development through value addition, employment generation, equitable distribution of income, and removal of regional disparities.

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According to the Registrar General of India, the work participation rate for women stands at 25 percent which is one of the lowest in the world. Emerging reports show a growing decline in women's participation in the workforce. Frequent reports indicate a lack of safe and quality childcare support a major contributing reason for this decline. With changes in the social and demographic profile of the families, the provision of quality ECD (Early

Childhood Development) services has become a necessity. The passage of the Maternity Benefit Act in 2016 and its amendment in 2017, paved the way for a landmark shift in providing quality childcare services to children between six months to six years. In addition to this, there is a lack of infrastructural facilities for women at workplaces e.g. proper crèche facilities and their maintenance with decent infrastructure and other resources needed for the same.

1. **Swati Singh**, Founder of the tech-based fashion brand **AseemShakti**, is a passionate believer in women led development and it's potential to change society. She started it with a simple intention – to facilitate working opportunities for underprivileged women.



“According to a study by McKinsey, increasing the participation of women in the workforce by 10 percent points could add \$770 billion to India’s GDP by 2025.”

The self-help group ran numerous programs to train, support and encourage women to earn without a caveat. The group evolved to become AseemShakti. It is **DPIIT-recognized startup** which was incubated in **Atal Incubation Centre**, with a mission – employment for 10,000 women by 2025. It ensures that every woman receives the flexibility and fair compensation that keeps her engaged in the workplace. The firm believes that more women joining the workforce isn't just a necessary social dynamic but one with tangible and lasting economic implications.



2. **Mrs. Shobha Chanchlani**, Co-Founder & Director of **AgriVijay**, which was incubated in **Atal Incubation Centre**, has worked with the Government of Rajasthan for 30+ years in the field of girl education. AgriVijay is India's first Marketplace of Renewable Energy products for farmers & rural households bringing all the products in solar, biogas, thermal, wind & electric under one roof and with Energy Advisory approach where farmers' energy needs are understood coupled with waste availability at their end before



The Report of the Expert Committee on Micro, Small and Medium Enterprises (2019), constituted by the Reserve Bank of India, has identified a lack of access to credit as one of the major constraints faced by the MSME Sector. A 2022 report on the 'Opportunities and Constraints of women-owned very small enterprises in India' brought out by the International Finance Corporation (IFC) has identified lack of access to credit as an important constraint being faced by women entrepreneurs. To address these gaps, the Government of India implements many schemes for women entrepreneurs.

The MSME sector offers multiple opportunities to empower women by promoting entrepreneurship and plays a crucial role in the process of economic

and social development through value addition, employment generation, equitable distribution of income, and removal of regional disparities. Women-owned enterprises account for approximately 18.67% of the total MSMEs registered on Udyam Registration Portal, over last three years. Similarly, the share of women employed by the MSMEs registered on Udyam portal, in around two and a half year is 23.59% out of the total employment by the MSME registered units during this period. The Ministry of MSME is continuously making efforts to encourage women empowerment through various interventions.

- The Public Procurement Policy for Micro and Small Entrepreneurs Order, 2012 (as amended in 2018), mandates that 3% of the total

products are recommended, sold and deployed along with abating GHG/CO₂ emissions mitigating Climate Change aligned with United Nations SDG's becoming Energy Independent along with increased savings & income.

AgriVijay was born amidst Covid-19, in 2020 with the vision:

- To Empower Farmers with Renewable Energy along with fighting Climate Change To Empower Farmers & Rural Households with Renewable Energy making them Energy Independent increasing their savings & income.
- To achieve Sustainable Development Goals (SDGs) & abating GHG/CO₂ emissions by making all types of Renewable Energy products available affordable, accessible to Farmers & Rural Households at village level.

Shahnaz Shaikh is the Founder and CEO at **AI-GENIX INTERNATIONAL PVT LTD**, which is an award winning social enterprise working in Agriculture input innovations to invent and manufacture next generation AI-Enabled Pest Management Devices with wide range. It also, invents technology for crop protection & sustainable farming, which helps



to address the global hunger threat and food security issues.

AI-GENIX's ground-breaking crop protection technologies and crop management solutions are transforming dynamics of the farming industry, enable millions of farmers to produce high-quality, toxic pesticide residue free food and increase the yield by optimizing the use of available resources.

Its business evolved around the environment and sustainable resources development, to achieve the world's food security by minimising the farmer's dependence on toxic chemicals, those are known for badly polluting the air we breathe in, the water we drink, and the soil in which we grow our food.

Source: 'Honouring Women in Every Walk of Life' by the Ministry of Information & Broadcasting, Govt of India

annual procurement by Central Ministries/ Departments/CPSEs shall be from women-led Micro and Small Enterprises (MSEs).

- The Ministry has launched the National Scheduled Caste Scheduled Tribe Hub, to promote inclusivity and entrepreneurship. More than 12,000 women aspiring/existing entrepreneurs have been trained in various sectors under National SC-ST Hub, since the start of the scheme in 2016-17.
- Under the Ministry's flagship scheme- Prime Minister's Employment Generation Programme (PMEGP), since inception in 2008, 2.59 lakh women entrepreneurs out of a total 8.37 lakh entrepreneur have been provided credit support with the subsidy for setting up new micro-

enterprises, thereby generating employment opportunities, primarily in rural areas.

- Under CGTMSE, to support Women Entrepreneurs, with effect from 1 December 2022, a concession of 10% in guarantee fee (over the normal rate) and enhanced guarantee coverage of 85% (against 75% in other cases) have been introduced in respect of loans given to women entrepreneurs. Through the Credit Guarantee Scheme for Micro & Small Enterprises, since its inception in 2000, an amount of Rs. 53,080 crore has been guaranteed in respect of loans availed by 13.29 lakh accounts of women-led MSEs.
- Khadi and Village Industries Commission (KVIC), has engaged 3.99 lakh women artisans (80%),



The Ministry of MSME has made it mandatory for all Central Government Ministries/ Department/ CPDUs to procure at least 25% of their annual procurement from MSMEs including 3% from the ones owned by women entrepreneurs.

out of a total of 4.97 lakh artisans in the country, under its Khadi Programme. In addition, KVIC, through its various skill development training programmes in disciplines like – Beekeeping, Pottery, Leather Goods, Fruits and Vegetable Processing, Bakery courses, Tailoring and Embroidery, Soap and Detergent making, Beautician course, etc., have been skilling women across the country. During the last six years, a total of 1.81 lakh women have been skilled through these programmes.

- In the coastal states of the country, Coir Board, under different schemes, imparts training to women workers on manufacturing quality coir products, thereby creating employment opportunities. During the last five years, 21,654 women have been skilled through these programmes.

Initiatives by the Ministry of MSME

The Ministry of MSME is continuously making efforts to encourage women empowerment through various interventions.

Public Procurement: The Public Procurement Policy for Micro and Small Entrepreneurs Order, 2012 (as amended in 2018), mandates that 3% of the total annual procurement by Central Ministries/Departments/CPSEs shall be from women-led Micro and Small Enterprises (MSEs). Women-led MSEs benefitting from this Policy have risen steadily from 3,666 in 2019-20 to 5,129 in 2020-21 to 11,232 in 2021-22 (data as

on 2 January 2023). Accordingly, procurement from women MSEs as a proportion of the total procurement has also risen from 0.3% in 2019-20 to 0.54% in 2020-21 to 1.01% in 2021-22 (as on 2 January 2023).

To promote inclusivity and entrepreneurship, the Ministry has launched the National Scheduled Caste and Scheduled Tribe Hub. More than 12,000 women aspiring/existing entrepreneurs have been trained in various sectors under National SC-ST Hub since the start of the scheme in 2016-17.

New Enterprise Creation & Employment Generation: The Ministry of MSME supports women entrepreneurs and artisans through its various schemes in the agro-rural sector. Under the Ministry's flagship scheme– Prime Minister's Employment Generation Programme (PMEGP), since inception in 2008 2.59 lakh women entrepreneurs out of a total 8.37 lakh entrepreneur have been provided credit support with a subsidy for setting up new micro-enterprises, thereby generating employment opportunities, primarily in rural areas.

Credit Facilitation

Initiatives for women led enterprises: Under the Credit Guarantee Scheme Fund Trust for Micro & Small Enterprises (CGTMSE), to support Women Entrepreneurs, with effect from 1 December 2022, the **concession of 10% in guarantee fee** (over the

Government of India
Ministry of Commerce and Industry
Department for Promotion of Industry and Internal Trade

#startupindia

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FEMALE!

47%
DPIIT recognised startups
have at least one woman
director

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Artisan-Based Cluster Development: Under the Scheme of Fund for Regeneration of Traditional Industries (SFURTI), a special focus has been given to providing sustainable livelihood to artisans through the formation of manufacturing collectives in the traditional sector. Under this scheme, revamped in 2014, around 1.49 lakh women artisans out of total of 2.97 lakh artisans have been supported covering traditional sectors such as handicrafts, handlooms, coir, agro-processing, etc. Out of 498 clusters approved so far, 86 clusters are 100% women-artisan clusters.

Coir Industry Programmes: In the coastal states of the country, the Coir Board, under different schemes, imparts training to women workers on manufacturing of quality coir products, thereby creating employment opportunities. During the last five years, 21,654 women have been skilled through these programmes.

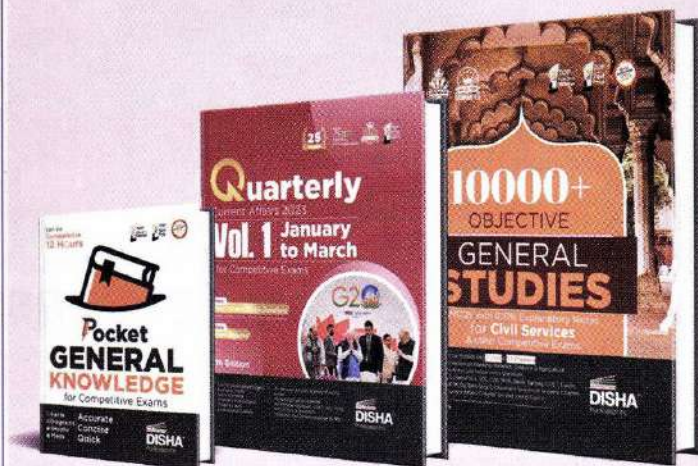
The Ministry of MSME has made it mandatory for all Central Government Ministries/ Department/ CPDUs to procure at least 25% of their annual procurement from MSMEs including 3% from MSMEs owned by women entrepreneurs. The Ministry also implements several other schemes for the promotion and development of MSMEs, including women-owned MSMEs, namely, Micro and Small Enterprise Cluster Development Programme (MSE-CDP), Tool Rooms & Technology Centres, Scheme of Fund for Regeneration of Traditional Industries (SFURTI), Procurement and Marketing Support Scheme, Entrepreneurship and Skill Development Programme (ESDP), etc.

Apart from the above, Schemes of other Ministries, like Pradhan Mantri Mudra Yojana (PMMY) and Stand Up India, etc., help women set up their own enterprises. The Pradhan Mantri Kaushal Vikas Yojana provides opportunities for training and capacity building of prospective/existing women entrepreneurs. □

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