



“UNDERSTANDING OF MSME SECTOR AMONG YOUNG WOMEN”

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Abstract

In the economic development of a country, Women play a crucial role. Over the years women's share in the labor force is continuously rising. Moreover, Asian women now hold key positions in government as well as in the private sector and many have also gone into managing their own business enterprises. These SME's share a major part to the advancement of our country, help reduce poverty and promote self-reliance among the people. Besides these contributions, MSME's are also treated as an important institution for women, specifically in rural areas which are strongly involved in economic exercise not only as hired workers but also build as entrepreneurs. Hence, a brief understanding is must for young women.

A large share of the women labor pool belongs to the lower middle income group or poor families. Our findings also come up with the fact that even after six decades of independence; women's participation is just 10-13% in MSME sector. The recent trends show that when women are better educated and have better paid employment opportunities, then the

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participation of women might decline in SMEs and they may move towards large scale industries.

- **Problem:**

- Lack of awareness of MSME sector among today's youth especially the young women (Aged between 18-30)
- Because of low levels of awareness & understanding of MSME, youth is not motivated to start their career in this sector.

- **Objectives:**

To examine understanding about the MSME sector among young women and to encourage them to know more about this sector.

- **Methodology:**

Firstly, we collected primary data (student survey) and secondary data (from web, Magazine: The SME times) Secondly, we worked on the data analysis part of the Report. And lastly, we did Group discussions, to motivate young women for MSME. It is a big source to aware the students and women for their safe future. MSME involves many sectors which can encourage the youth people.

- **Achievements:**

Group discussions were held with young women who are involved in small Scale manufacturing, mainly clothing and design, arts and crafts, food processing and organic fertilizer production. Although the study revealed that young women face a lot of challenges, their quest for development and sustainable growth of the national economy is important.

We had also driven out all the negative thoughts of these rural workers regarding the concept of MSME. Here, we conclude from focus groups to supplement the survey results, group discussions were held in Khadi Bhandar and made them aware about MSME Sector.

KEYWORDS:

MSMEs: - Micro, Small and Medium Enterprises.

SMEs: - Small and Medium Enterprises.

Introduction

MSMEs – Indian Scenario:

The MSMEs has often been termed as “engine of growth” for all advanced economies. MSMEs have been playing a consequential role in whole economic advancement of a country like India, where millions of people are underemployed or unemployed & facing the many other problems.. It provides large-scale employment, with lower investments and proves to be a 2nd largest manpower employer, after agriculture and employ, a position of eminence in Indian economy.

The MSME Industries form a significant segment of the Indian Industrial Sector. Indian entrepreneurs, with their inherent intelligence, drive and hard work are making the best need of the contingency that are made accessible with the all-encompassing changes that are taking place in the growth of business and globalization. Modern small-scale industries a productive feature of the economic growth in India has been the dramatic growth. In small towns and rural areas they have made a noticeable donation in accomplishing the principal objectives of the growth of employment opportunities and to approve modern techniques and the diffusion of the enterprises. Poverty and unemployment were the two grim realities faced by India during the post independence era. Both of these issues are informally interlinked. About 15-20 million people used to join the labour force every year, mostly from the rural area unemployment of about 100 million people besides, there was a sizeable level of camouflaged unemployment. To consume the gigantic unemployed rural population the agricultural sector in India had no scope. Similarly big enterprises on a large scale could not be set up due to the absence of well – transport, road, ports, railways, telecommunication and developed footing of power, transport, roads, ports, railways and telecommunication. A possible option left to the policy makers and others concerned, therefore, was to focus their attention on promoting Small Scale Industries. The Indian MSME sector constantly grow and integration with global value chains. Timely policy intervention and due support have promptly resulted in rendering the Indian MSMEs globally competitive.

Role of MSMEs

For long MSMEs have been accepted as engine of growth worldwide. More than 90% of enterprises/industries are covered in MSMEs. Thus are credited with generating large scale employment and exports.

In the overall industrial economy of the country, the MSMEs play a pivotal role in India also. MSMEs in India A/c (account) for more than 80 per cent of the whole industrial enterprise and production over 8,000 value-added products. It is estimated that in terms of value, the sector A/c's (accounts) for 45 per cent of the manufacturing output and 40 per cent of the total export of the country and employs over six crore people.

Further, in recent years the MSME sector has consistently registered increasing rate of growth in comparison to the whole industrial sector. Its employment potential at low capital cost is the major advantage. MSME sector employs over 6 crore people spread across 2.6 crore enterprises and the labour intensity in the MSME sector is estimated to be almost four times greater than the big enterprises as per available statistics.

1. Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

The Govt. of India has enacted the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 on June 16, 2006 which was notified on October 2, 2006. This act facilitates promotion, development, enhancement, competitiveness of MSME.

The provision of micro, small and medium enterprises development (MSMED) Act, 2006 Act, the micro, small and medium enterprises (MSME) is classified in two classes:

A) Manufacturing Enterprises:- All those sectors which are engaged in converting raw material, parts or components into finished goods according to consumer expectations are termed as 'manufacturing enterprises'. The Manufacturing Enterprises are often defined in terms of investment in Plant & Machinery.

Ex: printing, medical equipment, ayurvedic product, cigarette manufacturing and other tobacco products, generation of electricity through windmill.

B) Service Enterprises:- The enterprises engaged in providing or rendering of services and are defined in terms of investment in equipment.

Ex: publishing, hospitals, restaurants, Hotels, education, Training, Software service.

“Manufacturing is a wealth producing sector of an economy whereas service as wealth consuming sector of an economy”

2. Background and Context:-

Now, as far as the topic women participation in MSME's is concerned in the past women are

considered only as a housewife and they were not free to move and thus the education of women also got effected a lot and hence created lack of knowledge between them. But in modern times they are fully acquainted with the facilities provided by the state and central government as in eight five year plan in 1992. These types of activities encouraged the women and the literacy rate of women is also improving day by day. As Mahatma Gandhi said that if “we teach a single girl, it means we are teaching the whole society”. Now the time has come the women are meeting shoulders with the men. As our topic is concentrated on the women’s participation in MSME. We analyzed that there are lot of problems in context to women’s education, especially in rural areas and there is need of improving the education system. . Although the MSME sector in India provides livelihood to 49% of all employed women in India still they are unaware of MSME’s.

Make in India Campaign - Game changer for MSME Sector:-

In India, MSME sector is diversified in terms of its range of products and levels, the size of technology employed and services produced. MSME’s constantly showing the rate of growth of over 10 % in today’s years much ahead of the wide scale sector of corporate. MSME’s contributes 8 % of the country’s Gross Domestic Product, 40 % of its exports & 45 % of the manufactured output. This sector provides employment through over 36 million enterprises producing over 6,000 products with 80 million persons.

“Kalraj Mishra, the Union minister for MSME’s (micro, small and medium enterprises), has said that the government takes “Make in India” initiative and its emphasis on increasing the share of manufacturing in the GDP (gross domestic product) from the present 14-15 % to 25 % by 2022 has the potential to transform the fortunes of the micro, small and medium enterprises, enabling it to scale hereabouts unheard-of heights”.

Make in India campaign to get Indian companies as well as global firms to partner and investment in the manufacturing sector are a well drawn out concept and is the most relevant for India’s MSME’s”. ‘Make in India’ campaign can attract the foreign Multi National Company’s to bring in their investment, set up angel/venture funds to take advantage of the ingrained depth of the MSME Sector in terms of range of product and services, marketing network and the ability to develop fast. Another advantage in Indian MSME Sector the foreign partners would experience is that produce process in this sector is already underway.

The various networks need for undertaking the produce process is already established. The foreign MNC is just need to bring in investment and technical know-how to gain excellence in these areas.

Scope and Objectives of Study

The broad objective of the paper is to assess the understanding among young India about MSMEs. However, this report focuses on the following areas:

- Growth of output, employment, promotion of exports of MSMEs in India.
- Current status of understanding of MSME`s among young female in India.
- Challenges faced by the MSME`s sector.
- Performance of MSME`s in India.
- Major suggestion of working group on MSMEs.
- Govt. initiatives to quicken the MSMEs sector (make in India).
- Current status of MSME`s in India.
- MSME`s problems and solution.
- MSME`s prospectus in the development of Indian economy.

Achievement

We find after this work, that women are lesser educated about MSME . After we personally discussed about this sector with the undergraduates and analysed the student survey forms,they seemed to have become much interested to open up their own venture/enterprise,some of them were interested to get educated about manufacturing and service sector.

Group discussions were held with young women who are involved in small-Scale manufacturing, mainly clothing and design, arts and crafts, food processing and organic fertilizer production. Although the study revealed that young women face a lot of challenges, their quest for development and sustainable growth of the national economy is important.

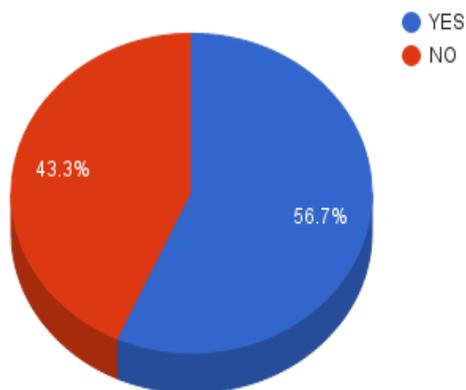
After 150 surveys, most of the students were clear their queries about MSME. Students were aware for their jobs in industry and manufacturing sector for future interest. At “Khadi gramodhyog”, workers were actually not aware about their work which is also included in MSME Sector.

Overview of Research:

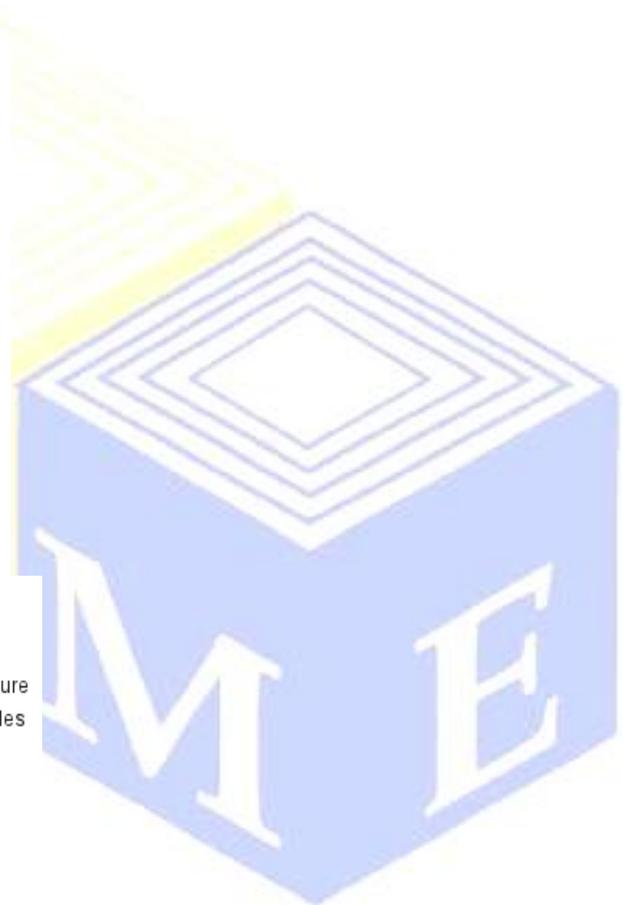
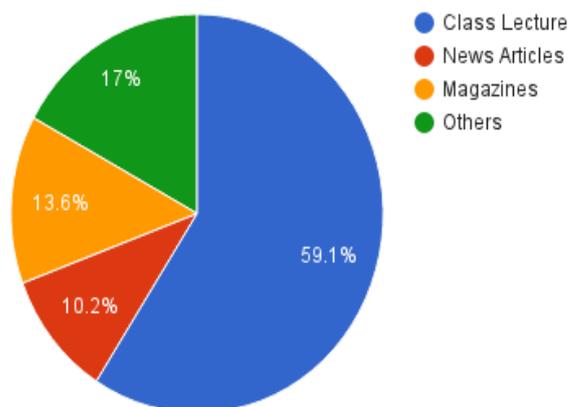
The MSME's has been accepted as the tool of economic growth and promoting equitable development, MSME's sector generates a huge number of employment opportunities. This background present study is chosen to know the **“UNDERSTANDING OF MSME SECTOR AMONG YOUNG FEMALES”**.

Data Analysis

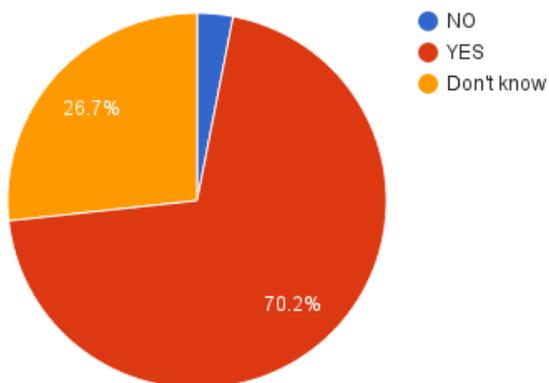
Have you ever heard about MSME sector ?



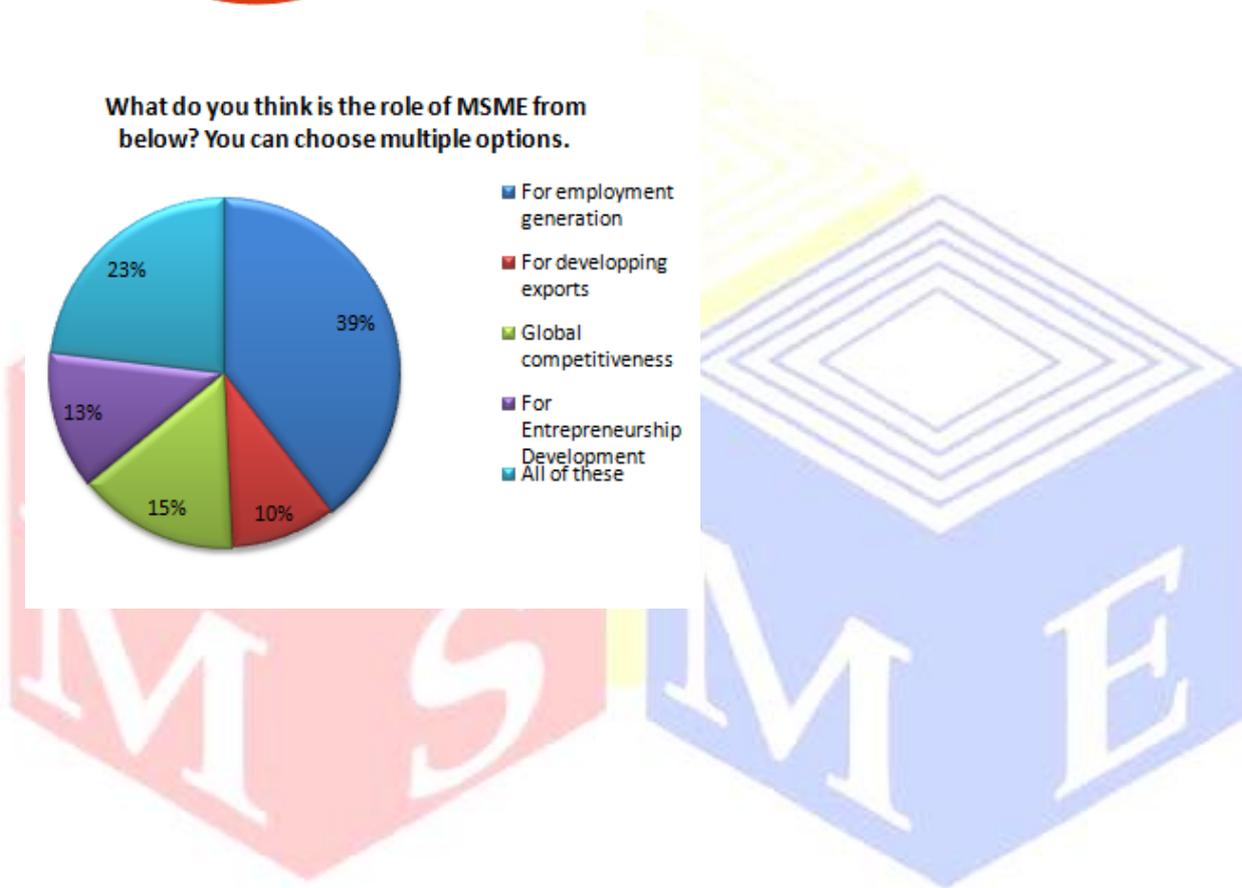
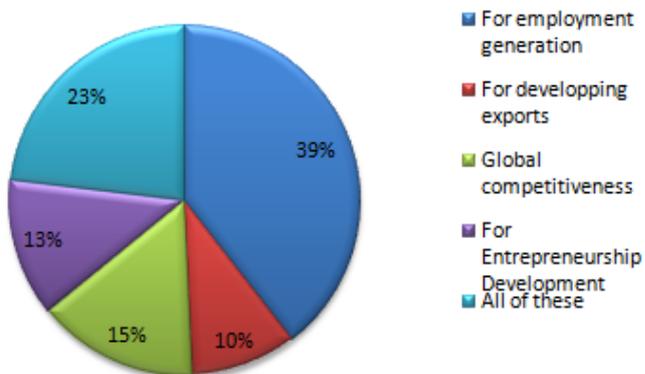
From where did you heard about MSME?



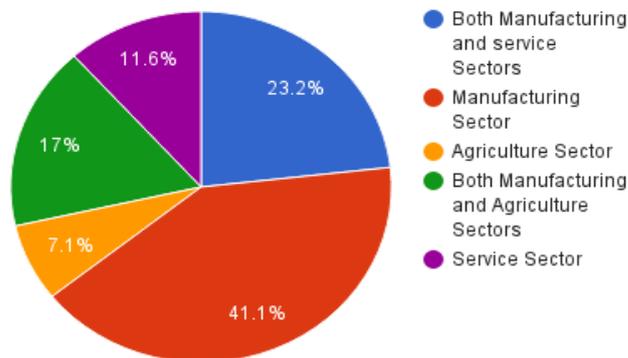
Do you think MSME sector plays an important role in economic development?



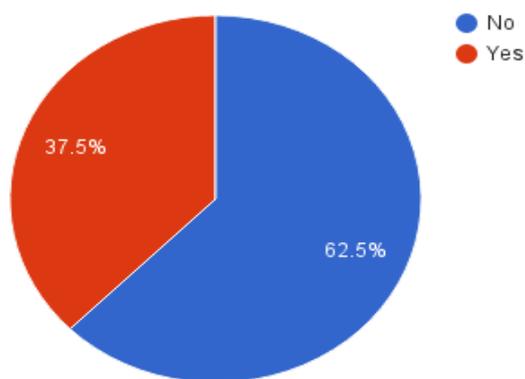
What do you think is the role of MSME from below? You can choose multiple options.



What are the different categories of MSME Sector?



Do you think today's youth is encouraged enough to enter into this sector?



Interpretation

Responses to the survey questions from young women about Understanding of MSME sector reveal that 56.7% women have heard about MSME sector and study further shows 60% have heard about it from Class lecture i.e., it is the strongest source to provide information about MSME. Further, 70% women think Role of MSME in economic development is wide while 39% women think role of MSME is important for employment generation. Also, Some respondents wanted to start manufacturing and service sector in age between 20-30. Around, 42% women think that only manufacturing sector comes under MSME sector which is not a good sign and 62.5% women responded that today's youth is not encouraged enough to enter into this sector.

Overall findings revealed that women is still unaware.

8. GROUP DISCUSSION

To come to an efficient and effective conclusion, we had analyzed 150 respondents. Out of respondents, we had selected 10-12 people and conducted a group discussion.

The participants of group discussions mainly included the working women of “Khadi Bhandaar”. We had firstly given them a short introduction about MSME Sector, and made them aware that the area in which they are already working comes under MSME Sector only. We had also made them aware about the various policies & packages the government has launched for promoting this sector.

The women took keen interest in understanding the various aspects of MSME & the benefits this sector has in the development of the country and the scope this sector has in upliftment these women in the social sphere.

Taking these participants into account, we had analyzed their response and the group discussion turned out to be very fruitful and we ended up analyzing the some of the results:

- Young female were keen to know more about MSME, and to learn the process to open their own venture once they complete their graduation.
- They seemed to be much interested to know about the various schemes and facilities government is providing for increasing women’s participation in this sector.
- Taking into account, the responses of the women who work in Khadi making in Banasthali itself, they were not aware about the various benefits, facilities they can get while working in this industry, education from the basic secondary level is important.

9. Recommendation

- To educate women about MSMEs through best practices and success stories of various women entrepreneurs.
- Vocational training should be provided by Government and private institutions, specifically for women, as an option to college education, especially in non-traditional areas.
- Women entrepreneurship should be promoted through education by introducing Entrepreneurship as a subject after 8th grade so that they get to know about the importance of this sector at the right age.

- The financial needs and support services required by women entrepreneurs will have to be researched and documented. Women must be educated and trained to acquire the skills and knowledge in all the functional areas of business management.
- Women must be educated and trained to acquire the skills and knowledge in all the functional areas of business management.
- Socio cultural barriers to be removed - Remove dependence on male members of family as a pre-requisite to access finance.

10. Conclusion

In Indian economy MSME sector plays a crucial role. It contributes to country's manufacturing output, credited with generating huge employment opportunities and also its exports. Apart from this it also promotes entrepreneurship development among youth. The Make in India initiatives to revamp the Indian manufacturing sector has great resonance for MSME sector, as it brings huge possibilities for existing and new enterprises. Rajasthan is at advantageous position in terms of access to huge market, adequate supply of power and availability of land necessary for industrial development. State government's recent initiatives in form of labour reforms, investment in skill development, single window clearance scheme, ease of doing business, etc are also expected to give a stimulus for setting up of new as well as expansion of the current MSMEs in the state and to help in creating a conducive environment for them to attain global competence.

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Note

We thank SBBJ for generous support for promotion of Entrepreneurship and MSME by launching SBBJ-Banasthali Vidyapith 'Navjyoti'. This research would receive support under the SBBJ-BV Navjyoti. This project is first of its kind of Project to promote entrepreneurship among women in rural and urban areas of Rajasthan and would benefit thousands of women in the exciting time to come. The bank has collaborated with the university and provided a generous financial grant under CSR.

