

**“A STUDY OF GENDER GAP IN SMALL AND
MICRO ENTERPRISES IN INDIA”**

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Supervisor

**Dr. Yamini Karmarkar
Reader
International Institute of Professional Studies
DAVV, Indore**

Research Scholar

Meghna Chhabra

**Research Center
International Institute of Professional Studies
Devi Ahilya Vishwavidyalaya,
Indore, Madhya Pradesh**

CERTIFICATE OF THE SUPERVISOR

This is to certify that the work entitled “**A Study of Gender Gap in Small and Micro Enterprises in India**” is a piece of research work done by Smt. Meghna Chhabra under my guidance and supervision for the degree of Doctor of Philosophy of Devi Ahilya Vishwavidyalaya, Indore (M.P.) India. That the candidate has put in an attendance of more than 200 days with me.

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Dr. Yamini Karmarkar

Signature of the Supervisor

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DECLARATION BY THE CANDIDATE

I declare that the thesis entitled “**A Study of Gender Gap in Small and Micro Enterprises in India**” is my own work conducted under the supervision of Dr. Yamini Karmarkar at International Institute of Professional Studies, D.A.V.V., Indore approved by Research Degree Committee. I have put in more than 200 days of attendance with the supervisor/at the centre.

I further declare that to the best of my knowledge the thesis does not contain any part of any work which has been submitted for the award of any degree either in this University/Deemed University without proper citation.

Mrs. Meghna Chhabra

Signature of the Candidate

Dr. Yamini Karmarkar

Signature of the Supervisor

Signature of Head UTD / Principal

Preface

The number of women-led businesses has seen a substantial growing in the recent times. Also, there has been considerable increase of initiatives, policies and resources designed to encourage and develop women's entrepreneurship. But, what remains as a matter of concern is the gender gap in entrepreneurship, which persists in all areas of business. Gendered based entrepreneurship rates are affected by soft values, beliefs, and expectations and hard (institutionalized norms and practices) measures of culture. Around the world, an estimated 8.5% of adults are engaged in entrepreneurial activity. Figures from the Global Entrepreneurship Monitor (GEM) indicates that entrepreneurship rates differ extensively across gender and countries, although women are about half as prone as men to be involved in business start-ups. Male-female participation ratios vary considerably from 3.79 in Croatia and 3.11 in Norway and the Netherlands to trivial differences in Brazil, Italy, Venezuela and Thailand. Explanations for gender variations in cross-national entrepreneurial activity tend to focus on structural factors, such as national wealth, unemployment, economic growth, and economic freedom. In addition, economic factors may not fully explain observed gender patterns. For example, facts suggest that women are more susceptible to non-economic determinants of entrepreneurship than are men.

In the Indian context women entrepreneurship has been a recent concern. Growth of women entrepreneurship in India is very low, especially in the rural areas. Women have become aware of their rights and their work situation. The educated women do not want to restrict their lives in the four walls of the house. They demand equal respect from their partners. Though, Indian women of middle class as well as in rural areas have to go a long way to change their role and to achieve equal position and rights because customs are deep rooted in Indian society. The progress is more noticeable among middle and upper class families in urban cities.

Entrepreneurship is considered as one of the most significant factors contributing to the development of society. India has been ranked amongst the worst performing countries in the spectrum of women entrepreneurship in gender-focused global entrepreneurship survey, released in July 2013 by PC maker Dell and Washington based consulting firm Global Entrepreneurship and Development Institute (GEDI). Out of the 17 countries

surveyed India ranks 16th, just above Uganda. Countries like Morocco, Turkey and Egypt have outperformed India. Standing of higher education in women in India came out to be lower than most countries in the world. But even in small scale industries, the women's contribution is very low. As per the third all-India census of Small Scale Industries, only 10.11% of the micro and small enterprises were owned by women, and only 9.46% of them were managed by women. While the number of women's participation in entrepreneurship is increasing globally, women continue to face obstacles that inhibit the growth of their businesses such as strict social constraints, lack of capital and limited time and skill.

This study probes the issue of "gender gap" in relation to entrepreneurship scenario and development within the Indian cultural framework. The question which poses itself is whether female entrepreneurs get equal opportunities and treatment as their male counterparts. In addition, the study investigates the primary reasons behind few female entrepreneurs compared with their male counterparts in India. In the outset, the study compares and contrasts the characteristics both personal and business, motivation factors, management skills, firm performance, risk perception, risk propensity and social behavior of both male and female entrepreneurs and critically explores the effect of gender on time invested in running the business and entrepreneurship practices in the India context. Also the study aims to investigate differences and similarities between male and female entrepreneurs. The methodology adopted for this study was a survey conducted among entrepreneurs owning and managing small and micro enterprises in India. This study pursues a line of inquiry, testing the importance of soft and hard cultural measures on entrepreneurial activities across male and female owned micro and small enterprises in India. The study is limited to India and the study results may be useful for regional policy makers and government to promote various programmes to encourage entrepreneurship in India.

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List of Abbreviations

ACWW	Associated Country Women of the World
ARI	Agro & Rural Industry Wing
AWEK	Association of Women Entrepreneurs of Karnataka
BRIC	An acronym for the economies of Brazil, Russia, India and China combined.
DC (MSME)	Development Commissioner (Micro, Small and Medium Enterprises)
DIs	Development Institutes
EDP	Entrepreneurship Development Programme
GEM	Global Entrepreneurship Monitor
GOI	Government of India
ICTs	Information and communications technologies
IIE	Indian Institute of Entrepreneurship
IT	Information Technology
KVI	Khadi and Village Industries
KVIC	Khadi and Village Industries Commission
MGIRI	Mahatma Gandhi Institute for Rural Industrialisation
M/o MSME	Ministry of Micro, Small and Medium Enterprises
MSE	Micro and Small Enterprises
MSE-CDP	Micro and Small Enterprises – Cluster Development Programme
MSME	Micro, Small and Medium Enterprises
MSMED Act	Micro, Small and Medium Enterprises Development Act
MSME-DI	Micro, Small and Medium Enterprises Development Institute
MSME-TC	Micro, Small and Medium Enterprises Testing Centre
NB MSME	National Board for Micro, Small and Medium Enterprises
NAYE	National Alliance of Young Entrepreneurs
NGO	Non Government Organisation
NIESBUD	The National Institute for entrepreneurship and Small Business Development
NI-MSME	National Institute for Micro, Small and Medium Enterprises
NSIBET	National Institute of Small Business Extension Training
NSIC	National Small Industries Corporation Ltd.

OECD	Organisation for Economic Co-operation and Development
O/o DC MSME	Office of Development Commissioner (MSME)
P&M	Plant & Machinery
PMES	Performance Monitoring and Evaluation System
PMEGP	Prime Minister's Employment Generation Programme
R&D	Research & Development
RFD	Results-Framework Document
REGP	Rural Employment Generation Programme
SBI	State Bank of India
SCIP	Second Career Internship Programme
SEVA	Self Employed Women's Association
SIDBI	Small Industries Development Bank of India
SME	Small & Medium Enterprises
SSI	Small Scale Industries
SSIDCs	State Small Industrial Development Corporations
SSSBs	Small scale Service and Business Enterprises
TDC	Technology Development Centre
TREAD	Trade Related Entrepreneurship Assistance and Development
UT	Union Territory
WAVE	World Association of Women Entrepreneurs