Chapter 1

WOMEN ENTREPRENEURSHIP: A PROFILE

Entrepreneurship plays an imperative role in the growth of any society. Development of entrepreneurship culture and qualitative business development services are the major requirements for industrial growth. Entrepreneurship emerges from an individual’s creative spirit into long-term business ownership, employment creation, capital formation and economic security. Entrepreneurial skills are essential for industrialisation and for alleviation of mass unemployment and poverty.

As technology speeds up lives, women are an emerging economic force, which cannot be neglected by the policy makers. The world’s modern democratic economy depends on the participation of both sexes. Irene Natividad has observed that “Global markets and women are not often used in the same sentence, but increasingly, statistics show that women have economic clout-most visibly as entrepreneurs and most powerfully as consumers”\(^1\). Today, women in advanced market economies own more than 25 per cent of all businesses and women-owned businesses in Africa, Asia, Eastern Europe, and Latin America are growing rapidly. In some regions of the world, transformation

\(^1\) http://www.cipe.org
to market economy, women entrepreneurs is a growing trend\textsuperscript{2}. However, in India, the actual participation of women in income generating activities is quite unsatisfactory, only eight per cent of the small scale-manufacturing units are owned and operated by women\textsuperscript{3}.

\textbf{1.1 Concept of Women Entrepreneurship}

Entrepreneurship is an economic activity which is undertaken by an individual or group of individuals. Entrepreneurship can be defined as the making of a “new combination” of already existing materials and forces; that entrepreneurship throws up as innovations, as opposed to inventions and that no one is entrepreneur for ever, only when he or she is actually doing the innovative activity\textsuperscript{4}.

Women entrepreneurship is the process where women organise all the factors of production, undertake risks, and provide employment to others. The definition of women entrepreneurship has never been differentiated on the basis of sex and hence could be extended to women entrepreneurs without any restrictions.

According to Medha Dubhashi Vinze, a woman entrepreneur is a person who is an enterprising individual with an eye for opportunities and an


uncanny vision, commercial acumen, with tremendous perseverance and above all a person who is willing to take risks with the unknown because of the adventurous spirit she possesses⁵.

Thus, a woman entrepreneur is one who starts business and manages it independently and tactfully, takes all the risks, faces the challenges boldly with an iron will to succeed. Women entrepreneurship is an economic activity of those women who think of a business enterprise, initiate it, organise and combine the factors of production, operate the enterprise and undertake risks and handle economic uncertainty involved in running a business enterprise⁶.

1.2 Evolution of Women Entrepreneurship

Although women form a very large proportion of the self-employed group, their work is often not recognised as “work”. The prevailing ‘household strategy’ catalyses the devaluation of women’s productive activities as secondary and subordinate to men’s work. Women’s contributions vary according to the structure, needs, customs and attitudes of society. Women entered entrepreneurial activities because of poor economic conditions, high unemployment rates and divorce catapult. In Babylonia, about 200 B.C., women were permitted to engage in business and to work as scribes. By 14th century, in England and France, women were frequently accepted on a par

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with men as carpenters, saddlers, barbers, tailors and spurriers. Dressmaking and lace making guilds were competed more with men for some jobs, but were concentrated primarily in textile mills and clothing factories\(^7\). In 1950, women made up nearly 25 per cent of both industrial and service sectors of the developing countries. In 1980, it increased to 28 per cent and 31 per cent respectively. Meanwhile, in 1950, 53 per cent of females and 65 per cent of males of industrialised countries were in non-agricultural sectors\(^8\).

As a result of the economic crisis of the 1980s and the commercialisation and modernisation of the economy, women lost employment in agriculture and industries. This pushed women in urban areas to find out a suitable solution for generating income, which resulted in the emergence of self-employment, largely in micro- businesses in the informal sector\(^9\).

1.3 Importance of Women Entrepreneurship

Women perform an important role in building the real backbone of a nation’s economy. There is considerable entrepreneurial talent among women. Many women’s domestic skills such as people and time management and household budgeting are directly transferable in the business context. Women have the ability to balance different tasks and priorities and tend to find

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satisfaction and success in and from building relationships with customers and employees, in having control of their own destiny, and in doing something that they consider worthwhile. They have the potential and the will to establish and manage enterprises of their own. These qualities and strengths of women are to be tapped for productive channels. But simultaneous creation and development of small business among women is a difficult task. According to Brady Anderson J., “Even though women’s contributions to business are one of the major engines of global economic growth, too often, women do not have access to basic business education, commercial credit and marketing opportunities ……” 10. Maintenance of proper quantitative balance among various economic activities is one of the principal functions of the economic system, which should operate to give equal freedom of choice to men and women.

The process of economic development would be incomplete and lopsided, unless women are fully involved in it. The orientation of a society as a whole, regarding desirability that women should play an equal part in the country’s development, is a very important precondition for the advancement not only of women, but the country as a whole. The highest national priority must be for the unleashing of woman power which is the single most important source of societal energy. Women entrepreneurs should be regarded as

individuals who take up roles in which they would like to adjust their family and society, economic performance and personal requirements. “Emancipation of women is an essential prerequisite for economic development and social progress of the nations”11.

In the closing years of the 21st century, multi-skilled, productive and innovative women entrepreneurs are inextricable for achieving sustained economic growth. Globalisation of industrial production and economic interdependence have become the torch-bearers for all international co-operations. In the dynamic world which is experiencing the effects of globalisation, privatisation and liberalisation, women entrepreneurs are likely to become an even more important part of the global quest for sustained economic growth and social development. The economic status of woman is now accepted as an indication of the society’s stage of development. Women (especially rural women) are vital development agents who can play a significant role in the economic development of a nation, but they should have an equal access to productive resources, opportunities and public services. It has also been realised in the last few years that the widespread poverty and stunted economic growth can be overcome only by gainful and sustainable economic participation of women. National development will be sluggish, if the economic

engine operates only at half power. Women in Enterprise Building has emerged as an agenda for many policy makers, researchers, and trainers and as well as for associations and organisations involved in women development. If women acquire skills, they can carve a niche for themselves in the outside world too. This is the reason why women entrepreneurship development has become a subject of great concern and serious discussion in recent times.

1.4 Women Entrepreneurship in India

Women entrepreneurship in India represents a group of women who have broken away from the beaten track and are exploring new vistas of economic participation. Women in India entered business due to pull and push factors. Their task has been full of challenges. In spite of the family opposition, many women have proved themselves independent and successful entrepreneurs. The emergence of women entrepreneurs and women-owned firms and their significant contributions to the economy are visible in India and these businesses are ready for continued growth in the future. In India, women constitute half of the total population (495.74 million), but their participation in economic activity is very low. The Female Work Participation Rate was 25.7 percent in 2001

In India, women are relatively powerless with little or no control over resources and little decision making power. Women in the informal sector

are found to be home-based workers, engaged in the petty manufacture of goods, either on piece rate basis or on own account, petty traders and petty shopkeepers or service specialists. Studies reveal that 89 per cent of India’s women workers toil in the informal sectors in sub-human conditions. Over 2/3 of the enterprises are self owned and have a fixed capital of less than Rs.50/- . Over 4/5 of the women workers in this sector earn less than Rs.500/-p.m. The income earned by women in this sector is said to be about \( \frac{1}{4} \) of that of a woman in the organised sector”\(^\text{13}\).

Nowadays women are well-educated with technical and professional qualifications. Many of them have medical, management and similar degrees and diplomas. Many entered their family business as equal partners. Women set up their own clinics or nursing homes, small boutiques, small manufacturing enterprises and entered garment exports. They have their own personal choices and the courage to undertake new ventures. However, many have to face family antipathy and do not get adequate support from their family.

1.4.1 Evolution of Women Entrepreneurship in India

In India, women’s participation in economic activity is common from time immemorial. The role of women has gone through several transitions. It took centuries for women’s roles to move in the present direction. There are some regions where women live in a barbarian era, chained and shackled to the social taboos, restrictions and lakshmanarekhas of others who frame a code

of conduct. At the same time there are other regions where women fight for and win freedom and opportunity to play their roles in a new context with new occupations and a new way of life.

As regards the ancient industries of India, family was the unit of production where women played an important role in the production process. Even in Mohenjodaro and Harappa culture, women shared a responsible position with men and helped in spinning and clay modelling and other simple arts and crafts. Women played a very pivotal role in creating household utility requirements and agricultural activities and weaving during the Vedic Period. In the traditional economy, they played vital roles in agriculture industry and services. They were the makers of intoxicant soma-juice, a skilful task. In the 18th century, women had a significant role in economy and a definite status in the social structure. Women’s informal trading activities in the international distribution system have been well documented since early 1950s. Since 1970 systematic efforts have been made by the Government to promote self-employment among women. Women entrepreneurship in India became popular in the late 1970s and now more and more women are emerging as entrepreneurs in all kinds of economic activities.

According to the 1971 Census, the total female working population is about 13.8 per cent of the total work force. It was only from Fifth Five Year Plan (1974-78) onwards that women’s development was recognised as an identified sector. 1980s provided the real breakthrough for women in many

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fields and many frontiers. During the 1990s, women were capable, competent, confident and assertive and had a clear idea about the ventures to be undertaken and they succeeded in them. Many women entered large-scale enterprises of their parents or husbands and proved their competence and capabilities. Women acquired high self-esteem and the capability of solving the problems independently through economic independence.

In the 21st century women are becoming experts in all the fields. With the growing awareness about business and the spread of education, they have entered new areas such as engineering, electronics and energy and acquired expertise in these fields. Many of the new industries are headed and guided by women. However, in India a large number of highly educated women do not seek employment. Marriage and family have always been the first choice for most Indian women. Female role prescriptions have created mind blocks. Men are more likely to engage in entrepreneurial activities. The number of men in autonomous start-up category is twice that of women, thrice in the category of manageresses.

1.4.2 Organisations Promoting Women Entrepreneurship in India

i. National Resource Centre for Women (NRCW)

An autonomous body set up under the National Commission for Women Act, 1990 to orient and sensitise policy planners towards women’s

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issues, facilitating leadership training and creating a national database in the field of women’s development.

ii. Women’s India Trust (WIT)

WIT is a charitable organisation established in 1968 to develop skills of women and to earn a regular income by providing training and employment opportunities to the needy and unskilled women of all communities in and around Mumbai.

iii. Women Development Corporation (WDC)

WDCs were set up in 1986 to create sustained income generating activities for women to provide better employment avenues for women so as to make them economically independent and self-reliant.

iv. Development of Women and Children in Urban Area (DWCUA)

DWCUA was introduced in 1997 to organise the urban poor among women in socio-economic self-employment activity groups with the dual objective of providing self-employment opportunities and social strength to them.

v. Association of Women Entrepreneurs of Karnataka (AWAKE)

AWAKE was constituted by a team of women entrepreneurs in Bangalore with a view to helping other women in different ways – to prepare project report, to secure finance, to choose and use a product, to deal with bureaucratic hassles, to tackle labour problems, etc.
vi. Working Women’s Forum (WWF)

WWF was founded in Chennai for the development of poor working women to rescue petty traders from the clutches of middlemen and to make them confident entrepreneurs in their own right. The beneficiaries are fisher women, lace makers, beedi making women, landless women, labourers and agarbathi workers.

vii. Association of Women Entrepreneurs of Small Scale Industries (AWESSI)

It was founded in Ambattur in Chennai in 1984 to promote, protect and encourage women entrepreneurs and their interests in South India to seek work and co-operate with the Central and State Government services and other Government agencies and to promote measures for the furtherance and protection of small-scale industries.

viii. Women’s Occupational Training Directorate

It organises regular skill training courses at basic, advanced and post advanced levels. There are 10 Regional Vocational Training Institutes (RVTIs) in different parts of the country, besides a National Vocational Training Institute (NVTI) at NOIDA.

ix. Aid The Weaker Trust (ATWT)

ATWT was constituted in Bangalore by a group of activists to impart training to women in printing. It is the only one in Asia. Its benefits are available to women all over Karnataka. It provides economic assistance and equips girls with expertise in various aspects of printing and building up self-confidence.
x. Self-Employed Women’s Association (SEWA)

SEWA is a trade union registered in 1972. It is an organisation of poor self-employed women workers. SEWA’s main goals are to organise women workers to obtain full employment and self-reliance.

xi. Women Entrepreneurship of Maharashtra (WIMA)

It was set up in 1985 with its head office in Pune to provide a forum for members and to help them sell their products. It also provides training to its members. It has established industrial estates in New Mumbai and Hadapsar.

xii. Self-Help Group (SHG)

An association of women, constituted mainly for the purpose of uplifting the women belonging to the Below Poverty Line (BPL) categories to the Above Poverty Line (APL) category. The major activities of the group are income generation programmes, informal banking, credit, unions, health, nutritional programmes, etc.

xiii. The National Resource Centre for Women (NRCW)

An autonomous body set up to orient and sensitise policy planners towards women’s issues, facilitating leadership training and creating a national data base in the field of women’s development.

xiv. Women Development Cells (WDC)

In order to streamline gender development in banking and to have focused attention on coverage of women by banks, NABARD has been supporting setting up of Women Development Cells (WDCs) in Regional Rural Banks and Cooperative Banks.
1.4.3 Financial Institutions Assisting Women Entrepreneurship in India

For the past several years, financial institutions have been playing a pivotal role in giving financial assistance and consultancy services to women entrepreneurs. These institutions include: i) National Small Industries Corporation (NSIC), ii) All-India Development Banks (AIDBs), viz. IDBI, IFCI, ICICI, IIBI, IDFC and SIDBI, iii) Specialised Financial Institutions (SFIs), viz. Exim Bank and NABARD, iv) Investment Institutions, viz. LIC, GIC, NIC, NIA, OIC, UII and UTI, v) Regional/ State-Level Institutions, viz. NEDFI, SIDCs and SFCs, vi) Commercial Banks, vii) Co-operative Banks, etc.

1.4.4 Participation of Women in SSI Sector in India

The participation of women in SSI sector has been identified in three different roles-as owners, as managers and as employees. As per the 1981 census, there were only 150000 self-employed women, accounting for 5.2 per cent of the total self-employed persons in India. There were more than 153260 women entrepreneurs claiming 9.01 per cent of the total 1.70 million entrepreneurs in 1988-89\(^\text{16}\). As on 1995-96, the number of women entrepreneurs in the SSI sector was 297696 with a share of 11.2 per cent in the total SSI sector. As on 2001-2002 there were 1063721 women enterprises in the total SSI sector and their relative percentage to total SSI sector was 10.11. Kerala had the largest number of units managed by women (137561) and women

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enterprises (139225) followed by Tamil Nadu where the respective number is 130204 and 129711\textsuperscript{17}.

It is estimated that women entrepreneurs currently constitute about 10 per cent of the total number of entrepreneurs in India and the percentage is growing every year. If the prevailing trends continue, it is likely that in another five years, women will constitute 20 per cent of the entrepreneurial force\textsuperscript{18}.

As per the Third All India Census of SSI-2004 (given in Table 1.1) the percentage of women enterprises was more than the percentage of units managed by women. Again, the number of women enterprises in the unregistered sector was more than the number of women enterprises in the registered SSI sector. Similar was the case in the number of units managed by women.

\textbf{Table 1.1}
\textbf{Participation of Women in SSI Sector in India - Third All India Census-2004 (Reference Period 2001-02)}

<table>
<thead>
<tr>
<th>Size of the sector</th>
<th>Total SSI sector</th>
<th>No.of women enterprise</th>
<th>Percentage</th>
<th>No. of units managed by women</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regd. SSI sector</td>
<td>1374974</td>
<td>137534</td>
<td>10.1</td>
<td>114361</td>
<td>8.32</td>
</tr>
<tr>
<td>Un regd. SSI sector</td>
<td>9146216</td>
<td>926187</td>
<td>10.13</td>
<td>880780</td>
<td>9.63</td>
</tr>
<tr>
<td>Total</td>
<td>10521190</td>
<td>1063721</td>
<td>10.11</td>
<td>995141</td>
<td>9.46</td>
</tr>
</tbody>
</table>


\textsuperscript{17} Third All India Census of SSI, \textit{Ministry of Small Scale Industries}, Government of India, New Delhi, 2004.

1.4.5 Principal Characteristics of Women-managed SSI Units in India

The principal characteristics of women-managed SSI units in India as per the Third All India Census of SSI- 2004 (given in Table 1.2) show that the share of women-managed units in the total SSI sector in terms of number of units (9.46%) and employment (7.14%) was higher than that of their share in other aspects, viz. original value of plant and machinery (4.11%), market value of fixed assets (4.63%), gross output ((3.46 %) and exports (2.37 %). The share of women-managed units in the unregistered SSI sector in terms of number of units, employment, original value of plant and machinery, market value of fixed assets and gross output are higher than that of the registered SSI sector.

Table 1.2
Principal Characteristics of Women-managed SSI Units in India-
Third All India Census-2004 (Reference Period 2001-02)

<table>
<thead>
<tr>
<th>Units managed by women</th>
<th>No. of units</th>
<th>Employment</th>
<th>Original value of plant &amp; machinery (Rs.in crores)</th>
<th>Market value of fixed assets (Rs.in crores)</th>
<th>Gross output (Rs.in crores)</th>
<th>Exports (Rs.in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered SSI sector</td>
<td>114361</td>
<td>349342</td>
<td>11047.85</td>
<td>3362.46</td>
<td>6031.68</td>
<td>331.48</td>
</tr>
<tr>
<td>Percentage to total of the respective category</td>
<td>8.32</td>
<td>5.67</td>
<td>3.64</td>
<td>3.66</td>
<td>2.97</td>
<td>2.69</td>
</tr>
<tr>
<td>Unregistered SSI sector</td>
<td>880780</td>
<td>1429962</td>
<td>1149.61</td>
<td>3776.33</td>
<td>3732.48</td>
<td>5.38</td>
</tr>
<tr>
<td>Percentage to total of the respective category</td>
<td>9.63</td>
<td>7.62</td>
<td>4.68</td>
<td>6.04</td>
<td>4.72</td>
<td>0.28</td>
</tr>
<tr>
<td>Total SSI sector</td>
<td>995142</td>
<td>1779304</td>
<td>2254.40</td>
<td>7138.80</td>
<td>9764.17</td>
<td>336.86</td>
</tr>
<tr>
<td>Percentage to total of the respective category</td>
<td>9.46</td>
<td>7.14</td>
<td>4.11</td>
<td>4.63</td>
<td>3.46</td>
<td>2.37</td>
</tr>
</tbody>
</table>


1.5 Women Entrepreneurship in Kerala

Kerala presents a positive picture as far as women’s development is concerned. The statistical data also show that the number of women SSI units
is increasing every year. Even though women entrepreneurs in Kerala have essential education, they are not outstanding in their role as entrepreneurs, as the majority of them undertake less risky ventures. According to Soosy George Isaac, President of All Kerala Women’s Industries Association, nowadays, women entrepreneurs are neither hard working nor willing to take risk which the women entrepreneurs of the previous generation took. Previously, most of the women entrepreneurs were engaged in some kind of manufacturing activities. Today, most of the enterprises set up by women entrepreneurs are of simple consumer products, like ready made garments, food products, toys, handicrafts or are in the service sector, such as X-rays, clinic, tailoring, beauty parlours, data processing, advertising, departmental stores and photo-copying. Only a few have entered steel furniture, electronics, plastics and other industries that require higher technology and innovative production process. “Although the women of Kerala possess some personality traits necessary for successful entrepreneurship, they lack the critical factors necessary for entrepreneurship, like the ability to take risk, self-dependence, an experimental nature and innovativeness”.

On the other side, in Kerala, entrepreneurs do not have a suitable entrepreneurial environment. Inadequate infrastructure facilities, existence of bureaucracy, etc. are some of the common problems faced by them. Rajula Chandran and R. Thiagarajan (2005) observed that the studies carried out in

the field of agriculture indicated that in spite of the key role of women in crop husbandry, fisheries, animal husbandry and so on, those who formulated a package of technologies, services and public policies for rural areas had neglected the productive role of women.

1.5.1 Evolution of Women Entrepreneurship in Kerala

Kerala, being a 100 per cent literate State, has made significant progress in the area of social development but the performance in the industrial sector has not been keeping pace with the potential of the State. In Kerala, despite a high social capability (high literacy rates and good health status) women are economically dependent because of historical subordination. In the earlier period, the low caste women were the most massive work force in Travancore, Cochin and Malabar regions and were engaged mainly in the agricultural sector. British rule provided remunerative employment for women in rubber, tea, coffee and spices cultivation. It spread to coir, fishing industries, cashew, handloom and different sectors of construction activities, shop assistants, home nursing, hospital services, teaching, etc. Now the trend has changed. Their activities range from tailoring units to hi-tech IT centers.

1.5.2 Organisations Promoting Women Entrepreneurship in Kerala

i. Socio Economic Unit Foundation (SEU)

SEU foundation was started in 1996 in Thiruvananthapuram. Issues and areas covered by SEU are water and sanitation, capacity building, women’s empowerment, supporting women’s skill development through training.
ii. Centre for Collective Learning and Action (SAHAYI)

SAHAYI has been working since 1990 towards capacity building of women collectives in Kerala. It also provides short-term entrepreneurship development training to women collectives.

iii. Kerala State Women’s Development Corporation (KSWDC)

KSWDC is a public sector undertaking formed for the development of women and registered in 1988 under the Companies Act. It provides self-employment loans, employment based training, loans to mahila samajams and co-operative societies, etc.

iv. Self Employed Women’s Association (SEWA)

SEWA was established in 1986 and registered under the Charitable Societies Act. It is a membership-based organisation. The increasing marginalisation of women from their traditional occupation like fish vending and reed work was creating several problems, specially related to the sustenance of their families, which motivated the inception of SEWA in Thiruvananthapuram.

v. Dalit Women’s Society (DWS)

DWS is a voluntary organisation started in the year 1992 at Kurichi in Kottayam district. It is the first women’s organisation which organised tuition programmes, self-employment programmes, workshop and computer training for dalit women.
vi. Women’s Endeavour

Women’s Endeavour is a charitable society which was registered in Kochi on August 3, 2005 under the Charitable Societies Act for the social, educational and economic uplift of women through proper channel by conducting seminars, meetings, workshops and legal debates for the members.

vii. Kerala State Women’s Industries Association (KSWIA)

KSWIA is an association of women entrepreneurs in Kerala, which was formed in 1980 for the promotion of women entrepreneurs. It safeguards the interests of its members and also provides a forum to discuss their common problems.

1.5.3 Financial Institutions Assisting Women Entrepreneurship in Kerala

In Kerala, Kerala State Industrial Development Corporation (KSIDC), Kerala Financial Corporation (KFC), Small Industries Development Bank of India (SIDBI), Regional Rural Banks, Co-operative Banks, Public Sector Banks, Private Sector Banks, etc. provide financial assistance to women entrepreneurs. Commercial banks not only provide financial assistance but also offer consultancy services to women entrepreneurs. Some branches of commercial banks (e.g. Canara Bank’s Mahila Banking Branch, Pattom, Thiruvananthapuram) act as a centre for the development of women, offering facilities such as a small library, credit-related counselling, guidance services and information about various schemes for women.

1.5.4 Participation of Women in SSI Sector in Kerala

The data maintained by the Directorate of Industries and Commerce, Government of Kerala, Thiruvananthapuram, reveal that the number of women’s
industrial units in Kerala is increasing every year. There has been a significant increase in the number of registered women SSI units in Kerala during 1996-2005. The number of SSI units registered in Kerala was 18469 in 1996. In 1997 the figure rose to 25310. In 1998, the number of units increased to 29976. It again increased to 34435 in 1999. The number of women SSI units as on 2000, 2001, 2002, 2003 and 2004 were 38364, 41669, 45985, 49101 and 50493 respectively. In 2005, the number of registered women SSI units increased about three times, compared with the women SSI units in 1996 and it was 51871.

The data relating to District-wise number of women SSI units registered in Kerala during 1996-2005 reveal that Kollam district (6775) had the highest number of registered women SSI units, followed by Thiruvananthapuram district (6224). Kasargod district had the lowest (899) during the year 2005 (District-wise number is given in Annexure-V).

The data relating to District-wise participation of women in management/ownership in the SSI sector in Kerala reveal that in the total SSI sector and in the unregistered SSI sector, Kasaragod district had the highest number of women enterprises and women-managed units and Kollam district had the lowest number of both women enterprises and women-managed units where no single unit was functioning in the unregistered SSI sector (District-wise participation list is given in Annexure-VI).

According to the Third All India Census of SSI-2004 (given in Table 1.3), in Kerala 22.44 per cent of the women enterprises and 19.70 per cent of women-managed units were in the registered sector and the corresponding percentage in unregistered sector was 34.74 and 35.51 respectively. A comparison of the percentage of women SSI units in Kerala (in the Total SSI sector) with that of All India level shows that the percentage of women enterprises and women-managed units in Kerala was three times that of the national average.

Table 1.3
Participation of Women in SSI Sector in Kerala -
Third All India Census 2004 (Reference Period 2001-02)

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Regd. SSI sector</th>
<th>Un regd. SSI sector</th>
<th>Total SSI sector</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Kerala</td>
<td>India</td>
<td>Kerala</td>
</tr>
<tr>
<td>Number</td>
<td>%</td>
<td>%</td>
<td>Number</td>
</tr>
<tr>
<td>Women enterprises</td>
<td>32989</td>
<td>22.44</td>
<td>106236</td>
</tr>
<tr>
<td>Units managed by women</td>
<td>28960</td>
<td>19.70</td>
<td>108601</td>
</tr>
</tbody>
</table>


1.5.5 Principal Characteristics of Women-managed SSI Units in Kerala

The principal characteristics of women-managed units in Kerala as per the Third All India Census of SSI- 2004 (given in Table 1.4) show that the share of women-managed units in the total SSI sector in terms of number of units (30.38 %) and employment (23.76 %) was higher than their share in other aspects, viz. original value of plant and machinery (9.22%), market value of fixed assets (9.58%), gross output (7.71%) and exports (1.27%).
A comparison of Kerala’s performance, with regard to the characteristics of women-managed SSI units, with India reveals that Kerala’s share in the registered sector in terms of number of units (19.70 %) and employment (15.21 %) was much above the national average of 8.32 per cent (no. of units) and 5.67 per cent (employment). But in exports, its share (1.18 %) was much below the national average of 2.69 per cent.

Table 1.4
Principal Characteristics of Women-managed SSI Units in Kerala - Third All India Census -2004 (Reference Period 2001-02)

<table>
<thead>
<tr>
<th>Units managed by women</th>
<th>Number of units</th>
<th>Employment</th>
<th>Original value of plant &amp; machinery (Rs in crores)</th>
<th>Market value of fixed assets (Rs in crores)</th>
<th>Gross output (Rs in crores)</th>
<th>Exports (Rs in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regd. SSI Sector</td>
<td>28960.00</td>
<td>82149</td>
<td>125.95</td>
<td>378.42</td>
<td>367.80</td>
<td>8.69</td>
</tr>
<tr>
<td>Percentage to total of the respective category</td>
<td>19.70</td>
<td>125.21</td>
<td>7.69</td>
<td>7.66</td>
<td>5.70</td>
<td>1.18</td>
</tr>
<tr>
<td>Unregd. SSI sector</td>
<td>108601.00</td>
<td>182707.00</td>
<td>92.99</td>
<td>291.78</td>
<td>257.05</td>
<td>0.75</td>
</tr>
<tr>
<td>Percentage to total of the respective category</td>
<td>35.51</td>
<td>31.81</td>
<td>12.61</td>
<td>14.22</td>
<td>15.60</td>
<td>16.97</td>
</tr>
<tr>
<td>Total SSI sector</td>
<td>137561.00</td>
<td>264856.00</td>
<td>218.94</td>
<td>670.21</td>
<td>624.85</td>
<td>9.44</td>
</tr>
<tr>
<td>Percentage to total of the respective category</td>
<td>30.38</td>
<td>23.76</td>
<td>9.22</td>
<td>9.58</td>
<td>7.71</td>
<td>1.27</td>
</tr>
</tbody>
</table>


1.6 Women Entrepreneurship in Tamil Nadu

Traditionally, Tamil Nadu is one of the well-developed States in terms of industrial development. In the post-liberalisation era, Tamil Nadu has emerged as one of the front-runners, by attracting a large number of investment proposals. It has been ranked as the third largest economy in India. But the Government’s efforts come only from 1970 onwards for the promotion of self-employment among women.
In Tamil Nadu each city has its own set of products that are manufactured by women entrepreneurs using indigenous skills. Most of these products are made with locally available materials and the skills available in production are seldom found in other cities. Though traditional activities like production and sale of domestic items such as garments have been taken up by women since long, entrepreneurship on the modern lines has been found in industry and trade and service concerns only for the last one decade or so.

The modern Tamil Nadu woman is different from the housewife of the past, to whom selling or running a business carried a stigma which she found difficult to shake off. Women entrepreneurs in Tamil Nadu possess organisational abilities, marketing skills, entrepreneurial skills and efficiency and novel ideas. Many women have vaulted the barriers of conditioning and reaped the rewards of a globalising economy. According to Lakshmi V. Venkatesan, Founder Trustee of Bharatiya Yuva Shakthi Trust (BYST), “Women in Tamil Nadu are the best entrepreneurs in the country; they have shown that they could make excellent entrepreneurs if they get support by way of finance and guidance”

However, the manager of Indian Overseas Bank, (SSI Branch), Guindy, Chennai is of the opinion that most of the women entrepreneurs prefer to start business in the service sector with minimum risk and efforts. They are not

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interested in any kind of manufacturing activities. According to Laxmi Narasimhan, Regional Manager, Indian Overseas Bank, Madurai, urban women have good ideas about business; the success rate is very high, whereas the success rate of individual woman in semi-urban areas is much less, i.e., 20 to 30 per cent. In rural areas, the relative percentage is only 10. In rural areas, individual woman is not successful, since she does not have any idea about the business. Women are successful when they undertake group activities like Self Help Group (SHG), since they get very good awareness from it about the Government agencies, financial institutions, their schemes and opportunity to utilise these facilities. Family support is the main criterion for running business. Otherwise, women can run business only at micro finance level.

1.6.1 Evolution of Women Entrepreneurship in Tamil Nadu

In most parts of Tamil Nadu, women occupied a very low status in medieval and early modern society in the Madras Presidency. Lack of educational facilities, child marriages, prohibition of widow remarriages, prevalence of Devadasi system, etc. were some of the social factors responsible for the low status and misery of women who were reduced to the position of glorified slaves. Social barriers, imposition of taboos and female ignorance reigned supreme. The heavy industrialisation and urbanisation in the State made significant development in the areas of women’s empowerment and social development.
In Tamil Nadu women were engaged more in agriculture than in manufacturing or services. In the manufacturing sector, women worked as beedi workers and as manual labour for cotton textiles, fish, and food processing and match industry. A few were involved in the manufacturing of electronic and electrical goods.

In a traditionally conservative society like Tamil Nadu, risk-aversion was common. Women were a further step behind the average man, having to contend with gender barriers in financial institutions, discouragement in families, lower levels of education and confidence. The position of rural women in the State has remarkably changed with the formation of SHGs, which started on an experimental basis in 1989 in the rural areas. It helped poor rural women to enter the entrepreneurial world and it also helped them to develop self-confidence, communication, courage, independence, mobility, management and technical skills. Assisted by some NGOs and with a little Government support, this movement gained momentum and developed into strong local institutions. They provided legitimate avenues for social mobilisation with access to inputs, such as training, banking services, Government services, etc. Most of them in the informal sector are now running micro enterprises or home-based production units such as basket making, mat weaving, beedi making, lace making and the production of agarbathi, candles, garments, telephone mats, handicrafts,
paper dice, ink, soaps, washing powder, snacks, fruit juices, pickles, jams squash, vattal, etc.

1.6.2 Organisations Promoting Women Entrepreneurship in Tamil Nadu

i. The Integrated Women Development Institute

The institute was set up in 1989 to uplift women and girl children from the distressing situations they encounter, by setting up income generating programmes for deserving women to become self-employed.

ii. The Tamil Nadu Corporation for Development of Women Ltd.

The corporation was set up on December 9, 1983 under the Companies Act, 1956 to focus on empowerment of women to encourage entrepreneurship among women, to identify trade and industries suitable for women, to undertake marketing activities for products manufactured by women and encourage women to form SHGs through giving training and extending credit facilities.

iii. Women Entrepreneurship Promotional Association (WEPA)

WEPA functioning in Chennai is an association of women entrepreneurs, providing training to women in various fields. The association also conducts exhibitions for the members and assists in marketing of the products of members.

iv. Marketing Organisation of Women Entrepreneurs (Regd.) (MOOWES)

MOOWES provides comprehensive support to women entrepreneurs to achieve success in the business. Its main aim is to aid women in marketing
their products through exhibitions and thus provide an opportunity to tour the country also.

1.6.3 Financial Institutions Assisting Women Entrepreneurship in Tamil Nadu

In Tamil Nadu, Tamil Nadu Industrial Cooperative Bank Limited, Tamil Nadu Industrial Investment Corporation (TIIC), Tamil Nadu Adi Dravidar Housing Development Corporation (TAHDCO), Regional Rural Banks, Public Sector Banks, Private Sector Banks, etc. provide financial assistance to women entrepreneurs. In Tamil Nadu there are 36 specialised SSI commercial bank branches functioning in different places. Some banks (e.g. Indian Overseas Bank, Egmore, Chennai) have a Mahila Banking Branch which is meant mainly for women and managed by women.

1.6.4 Participation of Women in SSI Sector in Tamil Nadu

The available data relating to participation of women in Tamil Nadu in the SSI sector show that their number has increased significantly in recent years. According to the Second All India Census (1987-88) the percentage of women in the registered SSI sector was 12.97 and it increased to 13.33 per cent in 2001-2002\(^\text{23}\). R. Natarajan, Special Officer for women entrepreneurship in the Department of Industries and Commerce, Chennai, pointed to the success that women in Tamil Nadu had achieved after venturing into the world of manufacture and business.

\(^{23}\) http://www.tn.gov.in
Out of the 2.7 lakh registered SSIIs in the State, 36000 are run by women\textsuperscript{24}. The data relating to district-wise women SSI units registered as on 31-3-2004 and 31-3-2005 obtained from the Department of Industries and Commerce, reveal that Cuddalore district had the maximum number of registered women SSI units during 2004 (7738) and 2005 (7985) (The district-wise number is given in Annexure-VII). Again, the number of women enterprises in the SSI sector was the highest in Kancheepuram district and the lowest in the Nilgiris district. Similarly, the number of women-managed units in the SSI sector was the highest in Salem district and the lowest in the Nilgiris district (The district–wise participation list is given in Annexure-VIII).

According to the Third All India Census of SSI-2004 (given in Table 1.5) in Tamil Nadu 14.83 per cent of the women enterprises and 13.33 per cent of women-managed units were in registered SSI sector and the corresponding percentage in unregistered sector was 16.96 and 17.48 respectively. A comparison of the percentage of women SSI units in Tamil Nadu (in the total SSI sector) with that of all India level shows that the percentage of women enterprises and women-managed units in Tamil Nadu was much above the national average.

Table 1.5
Participation of Women in SSI Sector in Tamil Nadu - Third All India Census- 2004 (Reference Period 2001-02)

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Regd. SSI sector</th>
<th>Unregd. SSI sector</th>
<th>Total SSI sector</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tamil Nadu</td>
<td>India</td>
<td>Tamil Nadu</td>
</tr>
<tr>
<td>Number</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Women enterprises</td>
<td>26604</td>
<td>14.83</td>
<td>10.1</td>
</tr>
<tr>
<td>Units managed by women</td>
<td>23907</td>
<td>13.33</td>
<td>10.13</td>
</tr>
</tbody>
</table>


1.6.5 Principal Characteristics of Women-managed SSI Units in Tamil Nadu

The principal characteristics of women-managed units (in the registered SSI sector) in Tamil Nadu as per the Third All India Census of SSI-2004 (given in Table 1.6) show that the share of women-managed units in terms of the number of units (13.33%) and employment (6.62%) were higher than their share in other aspects, viz. original value of plant and machinery (4.14%), market value of fixed assets (4.27%), gross output (3.44%) and exports (2.57%).

A comparison of Tamil Nadu’s performance, with regard to the characteristics of women-managed SSI units with India, reveals that Tamil Nadu’s share in the registered sector in terms of number of units (13.33%) and employment (6.62%) was above the national average of 8.32 per cent (number of units) and 5.67 per cent (employment). But in exports, its share (2.57%) was marginally lower than the national average of 2.69 per cent.
Table 1.6
Principal Characteristics of Women-managed SSI Units in Tamil Nadu - Third All India Census - 2004 (Reference Period 2001-02)

<table>
<thead>
<tr>
<th>Units managed by women</th>
<th>Number of units</th>
<th>Employment</th>
<th>Original value of plant &amp; machinery (Rs in crores)</th>
<th>Market value of fixed assets (Rs in crores)</th>
<th>Gross output (Rs in crores)</th>
<th>Exports (Rs in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regd. SSI Sector</td>
<td>23907</td>
<td>58156.567</td>
<td>11817.63</td>
<td>32022.438</td>
<td>79498.812</td>
<td>5638.5286</td>
</tr>
<tr>
<td>Percentage to total of the respective category</td>
<td>13.33</td>
<td>6.62</td>
<td>4.14</td>
<td>4.27</td>
<td>3.44</td>
<td>2.57</td>
</tr>
</tbody>
</table>


CONCLUSION

The participation of women in the SSI sector in India, Kerala and Tamil Nadu shows an increasing trend over the years. The survey results show that the percentage of women entrepreneurs to total SSI sector was only 5.12 in 1981 which increased to 11.2 in 1995-96. According to the Third All India Census of SSI - 2004, the percentage of women enterprises in the total SSI sector was 10.11 and the percentage of units actually managed by women was 9.46. A comparison of the percentage of women SSI units in Tamil Nadu and Kerala with that of India reveals that the percentage of women enterprises and women-managed units in both these States was much above the national average. Further, Kerala stands first and Tamil Nadu ranks second among other Indian States with regard to this aspect. In Tamil Nadu the women-managed units outnumber the women enterprises. But their relative share in exports is very low. While comparing the percentage of women enterprises (30.75%) and women-managed units (30.38%) with the total SSI sector of Kerala, both are higher than that of Tamil Nadu where the corresponding share was 16.48 per cent and 16.54 per cent respectively. Even though women in Kerala have established a firm foothold in literacy and social status and greater share in the
total SSI sector in terms of the number of units, the entrepreneurial atmosphere in Kerala is not favouring them to flourish and grow. In Tamil Nadu, where the women enjoy a lower status, but have a favourable entrepreneurial atmosphere the situation is different. Though the Central and State Governments have implemented different measures for the development of women, an integrated approach from the Governments, their agencies and non-governmental organisations is still lacking, which is a must for enhancing the active participation of women in entrepreneurship.