CHAPTER VII – FINDINGS & SUGGESTIONS

7.1 Findings of the Study-

Prime Minister Employment Generation Programme (PMEGP) & Tejaswini Maharashtra Rural Women Empowerment Programme (TMRWEP) have constituted 68% of the availed schemes (192 out of Total 285). Those two Schemes were found to be the most availed Schemes amongst the seven schemes chosen for the study.

- **Findings related to PMEGP Schemes**-
  1) All beneficiaries had undergone Entrepreneurship Development Programme (EDP) before release of the sanctioned loan.
  2) The training programme was mandatory for release of the first installment of the loan.
  3) Duration of EDP was 6 working days for Projects costing up to 5 lakhs & 10 days for the projects above 5 lakhs.
  4) Khadi & Village Industries Commission (KVIC) has made a tie up with Rural Self Employment Training Institute (RSETI) & Rural Development Self Employment Training Institute (RUDSETI). These training centers network is being utilized for the purpose of imparting EDP.
  5) Pune has got three EDP training centres; two in Pune city & one is at Narhe, Tal-Haveli.
  6) It was found that there was a Time frame for conducting EDP, i.e. EDP were being conducted within a period of one month from date of receipt of applications from KVIC/KVIB/DIC.
  7) Some Training centers are offering handholding services to the trainees for a period of up to 3 (three) years. This was found to address teething problems, sanction of loan and to ensure that the units were properly grounded
  8) It was found that the objectives of the training have helped all the units in financial and marketing. These were matching with the needs of the Women Entrepreneurs.
  9) PMEGP was found to be well received because besides the Margin Money subsidy the Scheme provides separate fund outlay for backward forward linkages by organizing Entrepreneurship Development and other training programmes, awareness camps, workshops, publicity, physical verification of units, etc.
Findings related to TMRWEP-

10) The overall goal of the Project was found to be pro-Poor women- very practical & flexible.

11) The Program has found to have adopted a flexible approach to work with existing SHGs & in formation of new SHGs.

12) By providing access to micro finance services the scheme has opened new & better livelihood opportunities to women.

13) The awareness campaigns promoted by the scheme in terms of legal, policy provisions were found to be useful for women.

14) Community Managed Resource Centre (CMRC) which functions independently was found to be helpful for the SHG through Sahyoginies in giving training.

15) MAVIM has entered into an agreement with ICICI Bank for mobilising credit for SHGs which has resulted in sort of a single window system.

Findings about Source of Awareness of the Scheme-

16) 78% respondents have received the basic information from consultant or friends which can lead to conclusion that awareness is from the sources other than radio, TV or print media advertisements; which normally are given by the Government or other promotion media used by Government.

Findings about Primary level of Promotion-

17) From the view point of an Objective; Primary Level Promotion is being effectively taken place from the financial schemes. 100% respondents said that the Financial Schemes helped them someway in kick-starting the business.

18) 61% responded that there was reduction in burden of initial overheads. 96% responded that they got the opportunity to be self-employed.

19) 58% responded that there was saving in the interest cost.

20) 40% responded that they got the benefit of capital subsidy.

21) 5% responded that Credit Guarantee Scheme was useful for them.

22) 4% responded that the scheme helped them for early entry in the market & for 3% early intimation to vendors.
23) In the case of expected turnover, 30.81% respondents fall into the agreement level which is below 40% and 69.19% are having agreement towards that they have Achieved the Expected Turnover.

This indicates that as far as this parameter is concerned the real promotion has taken place. This parameter shows that financial schemes are effective in this regard.

24) In the case of Receiving Expected Profits, 77.90% are not in agreement of having received it and therefore it is considered as not effective indication in respect of this attainment.

25) As far as Creation of Employment Generation, only 27.36% have shown their agreement level to that there was satisfactory level of employment generation. This might be due to the less profit which is hindering the expansion or addition of new products. Therefore it is inferred that this has not lead to real promotion i.e. not effective.

26) Entrepreneurs do have a kind of feeling of self-creation, which is not a monetary gain but an inner satisfaction arising out of entrepreneurial spirit. 60.36% of them have not received this kind of entrepreneurial reward. Therefore, it is inferred that on this account there is no effectiveness of promotion.

27) Only 30.88% could add other services or products and therefore it is inferred that adding new products or services which normally takes place in ordinary course of enterprise; whether financially aided or not, is marginal and leads to the inference of non-attainment i.e. ineffective in real promotion.

28) Diversification is possible when the enterprise normally gets well established in terms of profits and the retention of the profit and thus it is a very high level of promotion. In this regard as only 16.83% are successful to achieve the same. However, largely, it is found by the figure of 83.17% that the schemes have not rendered this benefit and so are not effective on this account.

29) There is a very strong and positive sign in terms of social status received by 80.69% about which the schemes have phenomenal effectiveness.

30) 76.15% show that the business wisdom level is not grasped much and the probable reason is lack of exposure or scaling. As a result only 23.85% are in a
position to achieve it and thus it can be concluded that in this regard the schemes are not effective on the basis of threshold of 40%.

31) Generally, the growth of enterprise is reflected in terms of increase in assets which can be used for a long term, one of the kinds of sustainability factor. But only 18.23% have received this advantage and 81.77% did not receive it which indicates non effective state of the indicator.

32) 87% could not expand the unit as they did not receive the kind of momentum required to get in to expansion. Thus as far as expansion result is concerned the schemes are very marginally effective.

• Findings related to Financial Reasons of non-attainment of the Scheme

33) The amount of financial assistance is insufficient.
90.51% respondents i.e. 210 out of total 232 have shown their agreement, whereas 22 respondents were not affirmative

34) The amount of subsidy is disproportionately low as compared to the project outlay. 95.68% i.e. 222 respondents agreed and 10 have shown negative response

35) The inflation factor is not considered while determining the length of the scheme. 100% i.e. all the respondents who were 232 in number have agreed to this statement.

36) The sanction is sought much faster but there is much delay in disbursement of funds.
90.51% i.e. 210 respondents agreed and 22 did not agree.

37) The reasons for finance needed which were not matching with the allocation of funds earmarked for the purpose.
100% i.e. all 232 respondents agreed to the statement.

38) The problems of recovery from customers and lack of working capital funds.
100% i.e. all the 232 respondents agreed to the statement.
• **Findings which are related to Non-financial Factors**

The factors which have overrun the cost because those tasks were compelled to outsource to the consultant.

39) Out of 285 respondents, 212 i.e. 74.3% respondents attributed the reason to Labour laws & compliance of the reports.

40) Out of 285 respondents, 187 i.e. 65.61% respondents attributed the reason to maintaining of Books of Accounts.

41) Out of 285 respondents, 145 i.e. 50.87% respondents attributed the reason to obtain various registration & licenses.

42) Out of 285 respondents, 142 i.e. 49.82% respondents attributed the reason to Income tax returns.

43) Out of 285 respondents, 147 i.e. 51.58% respondents attributed the reason to VAT & other returns.

Apart from the above factors, the respondents gave following reasons from their own experience as the factors for cost overruns. Those non-financial factors were reworked & reframed to put in a nutshell as per the following-

44) Provident Fund & Service Tax returns (50.87%),

45) Human Resource Management Functions (65.61%),

46) Marketing Management Functions (75.08%),

47) Networking Abilities (55.08%),

48) Communication skills (62.10%),

49) Basic I.T. Knowledge like M.S. Office (63.85%),

50) Technology awareness (57.29%),

51) Quality Awareness (53.33%) &

52) Employee Safety Training (58.24%).

It is inferred that in respect of the above 14 factors of cost overruns, for 13 factors; number of respondents are crossing the number 145 i.e. more than 50%.
Findings Related to Symbiotic Factors of the Scheme-

Findings which are related to other non-financial support for effectiveness of Promotion of Financial Scheme for Women Entrepreneurship are Symbiotic factors which are a blend of non-financial factors & financial factors to make the scheme comprehensive as per the following-

53) 84.56% i.e. 241 respondents said that a reference to Inflation should be included in the scheme to make it more effective.

54) 89.82% i.e. 256 respondents said there should be separate funds for training. iii) 76.14% i.e. 217 respondents gave more importance to training related to legal aspects.

55) 71.92% i.e. 205 gave more importance to training related to marketing.

56) 64.91% i.e. 185 gave inventory management training more importance.

57) 69.12% i.e. 197 felt Human Resource Management training is more important.

58) 87% i.e. 245 gave the Working Capital Management training more importance.

In addition to above; the respondents have responded in their own words, those are reworded by the researcher as a full common expression which is as per the following-

59) 64.91% i.e. 185 respondents expressed that there should be Provision of funds for cost overruns beyond the control of entrepreneur.

60) 74.38% i.e. 212 respondents expressed that there should be Flexibility in need based funds allocation during the running of enterprise.

61) 66.66% i.e. 190 respondents expressed Tax subsidies should be provided during initial years.

62) 12.28% i.e. 35 respondents expressed that Consortium for common infrastructural facilities would be helpful for them.

63) 64.91% i.e. 185 respondents expressed help in Continuous upgrading to adept changes in market& customer base & internal management.

64) 83.51% i.e. 238 respondents desired Single window for approval& operation of the scheme.

65) 43.15% i.e. 123 respondents expressed a need for a Single website for information of all the Government Financial Schemes.
7.2 Conclusions of the Study

1. Women entrepreneurs are yet to find the perfect match between their actual needs and the finance provided to them.

2. There should be a right blend of financial and non-financial factors along with finance.

3. The women entrepreneurs by and large have not received very sustainable benefits.

4. The financial schemes need to be redesigned and restructured which would facilitate to find holistic solutions to their difficulties.

5. Lastly, Training and skill development of Women Entrepreneurs be taken as an integral part of the financial schemes and separate funds be provided to them under the package of the scheme.

Suggestions

An attempt is made to make suggestions to different stake holders for the effective planning and execution of financial schemes for various women entrepreneurs. These suggestions are having a backward reference to the analysis and findings, as well as literature review.

The schemes under study have common features as follows:

1. Objective wise the central theme is to foster entrepreneurship amongst women.

2. The range of finance is of medium type and for a medium term.

3. The finance provided is generally provided for tiny vocational type of business units and professional skill based units.

4. The entrepreneurs are not very highly educated but who belong to medium to lower income group and medium to lower education group.

5. The whole concept is having a soul of up-liftment of the class of entrepreneurs who are just one up or down as far as poverty line is considered.

Also majority of finance is made available to women entrepreneurs through nationalized or other type of banks.
The primary aim of helping; in giving the enterprise a kick-start is achieved by the schemes.

However, the suggestions have built in focus of developing the schemes for full-fledged advantages which are considered as Real Promotion.

In the Chapter of Method of Research it is clearly mentioned that the number of the beneficiaries found much less than expected which shows that the reach of such schemes is very small and also not widespread.

On the backdrop of the above facts the following suggestions are made.

There are three parts of all the schemes together as under

Organizations giving inputs for designing of the schemes like DIC’s. The policy makers should receive the idea about the real problems of the women entrepreneurs and this is possible only if the policy makers can reach the women entrepreneurs. It is suggested that a separate cell is necessary to understand the exact requirements of the women entrepreneur and for which continuous surveys are required to be conducted.

Further the suggestions given to different stake holders are hereunder

**7.3 Suggestions to the Government:**

1. From the reference to Table No 6.2 which depicts the composition of schemes that PMEGP and TMRWEP schemes are more popular as they are quite need-based & hence matching with the needs of women entrepreneurs. This is also confirmed from the discussion with women entrepreneurs during the survey.

Therefore it is suggested that the schemes to be viable and bankable, it is necessary that due representation be given to women entrepreneurs in designing and framing of the schemes.

2. Table 6.3 depicts that 66% of the women entrepreneurs have become aware about the schemes through the consultants and therefore the schemes be broadcasted widely on TV and other social media channels which would increase the awareness to the expected level.
3. Complex procedures are detrimental to the startup time which takes out the energy and time of women entrepreneurs. In order to reduce the time of procedures one window system be followed.

4. In order to attain the gains shown in table 6.6 following steps are essential

(a) Market demand and expected turnover are the deciding factors in receiving the expected turnover. The finance must be provided for primary level market research as in built part of the finance.

(b) In order to achieve the expected level of profits the step up financial feasibility be checked with more accuracy.

(c) A due weightage be given to the creation of employment & avoidance of mobility of workers for which some reward or incentive system is necessary.

(d) Expansion plan and additions to machinery be given due weightage during checking the financial feasibility of the proposal.

(e) Diversification plan is necessary to be submitted after two years of the scheme and areas be identified by the women entrepreneurs’ well in advance depending up on the product life cycle of the products and services belonging to the scheme.

5. Primary level Training Funds should be the part and parcel for the woman entrepreneurs as they lack in information about taxation and other legal aspects of the enterprises.

6. In order to manage the enterprise, training is necessary regarding marketing and human resource development factors for which a separate finance be provided which shall be the part of the financing of the scheme.

7. The subsidy part of the scheme is delayed due to complex procedures for which post-dated commitments are necessary.

8. As a part of the scheme, separate fund be allocated for the purpose of training of MS office, Quality awareness and Communication skills or otherwise the woman entrepreneur has to complete the courses regarding these skills either from the Government run Institutes or private institutes which are recognized for the purpose. This suggestion is based on the analysis shown in Table No 6.10.
9. There is a need for the consortium approach for providing non-financial factors for the provision of infrastructure facilities and continuous training. Even Chartered Accountants need to attend refresher courses for updating the knowledge of the field. Thus such refresher courses be made compulsory to the women entrepreneurs.

10. A holistic Approach is essential to blend the financial factors and non-financial factors which is evident from the replies to question no 07. It covers the following areas.

**Other suggestions**

Sponsoring Agencies do not have right kind of coordination and these results in sponsoring the schemes to the same type of enterprises which brings in saturation in demand and ultimately the resulting in non-viability. e.g. Different agencies may finance the enterprise which are engaged in manufacturing of the spices.

Thus one window system can avoid such saturation and right number of unit shall be working for the purpose.

1. A single agency be constituted for a group of five districts which would singly involve in sponsoring, supervision, training and monitoring.
2. Single Nodal Agency for development be established in order to actualize innovative self-employment and training for updating the knowledge and information of women entrepreneurs
3. Research Cell is essential to identify potential activities for the particular area which would result in viable enterprises
4. Training in the areas of 1.Taxation 2. Accounts and finance 3. Employee Safety Regulation and Environmental basic education should be provided.
7.4 Suggestions to the Banks

1. Post Disbursement Monitoring is essential to guide the women entrepreneurs and that should be done with the kind of mentoring spirit.
2. Banks should monitor diversion of funds by monitoring the flow of finance & the purpose for which they are being used, as the accounts are operated from their end only.
3. Banks should not accept the bunching of application which are received at the far end of the year as they need to give sufficient time for the processing of the applications
4. Participation of bank representative is essential in selection, training and viability approvals
5. Credit Guarantee Trust Fund Scheme be popularized
6. Various sectors are emerging like communication, horticulture, E-commerce. A sector wise allocation of funds at Apex level be considered which would help in taking maximum benefit of creation of employment
7. Most importantly, the banks have to insist on for supply of working capital to the women entrepreneurs with adequate monitoring as the crunch of recovery and inadequate working capital largely affect the viability of the enterprises

7.5 Suggestions to NGOs

1. NGOs should assist in training on a massive scale and assist the banks in monitoring post disbursement activities
2. NGOs should play the role as a catalyst in creation of awareness amongst the women entrepreneurs by conducting the special camps.
3. NGOs have a scope in conduct of the research mainly by probing in to mortality or non-viability occurred of the enterprises which can help as strong input for the policy makers and to those who design and decide the structure of the government sponsored schemes.
4. NGOs can assist in skill development part of the women entrepreneurs where the research has revealed the need for the holistic approach to the scheme.
7.6 Suggestions to the Beneficiary Women Entrepreneurs

1. Women entrepreneurs should be insistent on understanding the aspects of financial and market feasibility and should not blindly follow the consultants who paint a rosy picture which remains on the paper itself.
2. Sharing of experiences by way of

( a ) Initiating the camps or entrepreneur circles in the area

( b ) Writing articles in newspapers and magazines for the benefits of sister entrepreneurs

( c ) Using professional social media like LinkedIn or face book for sharing the experiences

( d ) Participation in programmes conducted by NGOs, Lions and Rotary Clubs and other such organizations.

( e ) They should demand and seek the opportunities for the skill development

( f ) Formation of team or a group who would represent them to different sponsoring and development agencies and monitoring agencies like Bank, DIC.

If all the stake holders bring above suggestion in practice the future of women entrepreneurs shall not restrict to primary level promotion but much higher level promotion which would render them all possible sustainable benefits with all kind of entrepreneurial rewards.

7.7 Suggestions to Policy Makers

1. Three Drives and one Scheme:

Throughout the context of the first chapter the emphasis is on holistic approach & it is seen that the economies are driven on three forces.

1. Factors
2. Efficiency
3. Innovation
Thus the scheme as a whole should foster all these three variables by providing finance for all of them, may be in phased manner and balance the schemes which would render the maximum benefits to all stakeholders in most realistic way.

Thus, a paradigm shift shall be experienced from primary level promotion or nominal level of promotion to Real level of promotion.

**If all the stakeholders bring above suggestions in practice, the future of women entrepreneurs shall not restrict to primary level promotion but much higher level promotion which would render them all possible sustainable benefits with all kind of entrepreneurial rewards.**

Thus, a paradigm shift shall be experienced form primary level promotion or nominal level of promotion to Real level of promotion

**Limitations of the study:**

1. The study does not cover the schemes which are beyond the year 2013
2. The study is for Pune city and around Pune city Women Entrepreneurs’ coverage
3. The study includes the respondents of all categories of the enterprise and does not relate to a specific sphere or age group or type of enterprise

**Further scope of Research**

The studies in Social sciences are provisional as social circumstances change and in present times they change very rapidly. Further research can be taken in following area

1. Role of Agencies in providing skill development training for various areas like MS office and communication, basic taxation matters and so on
2. Coordination of different agencies from the view point of the problems and issues
3. Ways to simplification of complex procedures

Mainly, how the sustainable development mechanism for women entrepreneurs can be established.

At the end Bibliography is annexed.