

THRIVING ECONOMY BY VIRTUE OF MSME: RECENT TRENDS AND CHALLENGES UNDERGO BY WOMEN ENTREPRENEURSHIP IN MAHARASHTRA

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Abstract:

In today's Changing scenario with respect of every facet that plays a pivotal role in developing economy. Similarly, the epoch making aspect that is promoting entrepreneurship especially in a country like India where the ratio of undertaking entrepreneurial activities is somewhat disappointed due to unchanging attitude of policy makers towards upheaval in sector of entrepreneurship. As the time is surpassing expeditiously to develop economy more or less seeming improved. Innovation would be one of the key element that can bring the sea change in developing economy by all means. Nonetheless, it would have a particular class either men or women, the paucity seems a lot in olden days. The data which carried out from various sources related to women entrepreneurship especially in MSME was looks like very upset in manner. There is only 9% women from Maharashtra participated in entrepreneurial activity so the gap of disseminating information in respect to encouraging women is relatively high and constructive in nature. The aims of study is to promote women in large manner to undertake MSME activities which is in true manner impossible due to stringent policies about starting industries at the beginning. From the reports of Maharashtra state MSME department, they employs 24% of women enable to empower in the sector of MSME. Though the Maharashtra has highest number of MSME as per the report of Ministry of MSMEs of India, despite only few number of women showing keen interest for taking participation in start-up. The study is descriptive in nature, the data collected completely from the secondary sources to know the disappointment in this field of MSME.

Key words: MSMEs, women-led MSMEs, Entrepreneurs, Financial Awareness, Challenges.

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Introduction:

For a developing country like India where labour is abundant and capital scarce, MSMEs have become a mode of earning to a large number of women, especially in the non-urban areas. Gone are those days when women were expected to stay within the four walls of the house and confided with the household chores. Now it's an era where women are exploring new avenues and putting their best foot forward. Entrepreneurship is a fairly new idea and a challenging one as well. It hasn't shown much improvement even when the Government has issued various policies to help them. In this period when our economy is growing,

entrepreneurship is the best way to keep up with the pace.

What are MSMEs?

According to the Ministry of Micro, Small and Medium Enterprises (Ministry of Micro, Small and Medium Enterprises, Government of India, n.d.), MSMEs have been defined as: a. Micro-enterprise, where the investment in Plant and Machinery or Equipment does not exceed one crore rupees and turnover does not exceed five crore rupees b. Small enterprise, where the investment in Plant and Machinery or Equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees c. Medium enterprise, where

the investment in Plant and Machinery or Equipment does not exceed fifty crore rupees and turnover does not exceed two hundred and fifty crore rupees.

MSMEs have improved our economy and are still continuing to do so. Women's contribution to the Indian economy has been undermined for decades because some of the work that women do like farming and household activities are treated as daily chores. MSMEs have helped a lot of women, especially in rural areas, in gaining financial independence and a sense of accomplishment. Flexible working hours as per their choice also allow them to cater to their household chores as well, therefore not deterring them completely from venturing out into this field. Micro-entrepreneurship has aided women's economic empowerment in a variety of areas, including socioeconomic opportunity, property rights, political representation, social equality, family development, community development and eventually national growth. Women in our country have the potential to start and run an enterprise. The only reason they are unable to do so is that they lack practical knowledge such as legal advice, registration process, and market knowledge and so on. Networking opportunities can help in a lot of ways because interacting with like-minded people will boost up the confidence and also will help in gaining insights for both parties. It is believed that with appropriate training and networking opportunities women can bring about a change in today's society and improve their standard of living as well as national productivity.

Entrepreneurial Landscape Since ancient times, the Indian economy has almost always been characterised by its trade and commerce. While the influx of domestic and foreign capital has driven this steady growth, there is no denying that the heart of the growth lies in the MSME sector of India. The sector accounts for approximately 45% of the country's industrial output and generates employment for 60 million

people, creating 1.3 million jobs every year. (Business Standard, 2019).

Lack of Family Support and Cultural Obligations:

In a survey conducted to examine factors impacting the performance of women entrepreneurs in MSMEs, 69% of women felt that they were most affected by lack of family support. (Bain & Company, 2021)

What is Family Support?

In a country like India, women are often placed in a rather precarious position. Usually seen as secondary to men and always associated with a male figure rather than being seen as an individual. This mentality has found itself to be ingrained into the minds of most people, especially women themselves. In this regard, the scope of success of a woman entrepreneur often depends on how open-minded her family is. Even if one has the initiative to start a business, the number one factor that impedes this initiative is the lack of this family support. Family support can be both emotional and financial. As stated above, a lot of the financing for these enterprises come from self-financing which majorly includes family members lending them money, so a lot of their access to credit is indirectly related to this family support. Women are generally discouraged in many regions of India, from seeking financial autonomy or independence outside of the house, whether for reasons of social conditioning, culture, safety or status; equal rights to property or assets are often ignored. The financial decision making or asset ownership is deferred to the father, husband or brother. As examined above in supply based constraints, lack of assets for collateral directly translates to no access to funds. More often than not, women are asked to assume the role of a primary caregiver and household chores need to become their priority due to which any professional work is seen as secondary. Caregiving responsibility also limits their mobility. Lastly, due to the sector being a male-dominated space, women often lack the confidence to take the initiative. They often

feel that there is a significant gap between what they can achieve in comparison to men, which is not true. But this self-doubt can go a long way in hindering one's capabilities as an entrepreneur. Being an entrepreneur can include challenges that women feel may harm their safety (Bain & Company, 2021). The systematic deconstruction of these stereotypes through awareness and education can go a long way in ensuring this space is conducive to women.

5.3 Lack of Networking and Required Entrepreneurial Skills

In one of the many surveys analysing challenges to women entrepreneurs, lack of networking and entrepreneurial skills affected about 48% of them (Advances in Management, Social Sciences and Technology et al., 2021). There is a considerable gender gap in access to technology and market information which includes access to corporate value chains, philanthropic procurement from women entrepreneurs, awareness regarding time and cost barriers in various sectors etc. Despite having a significantly educated population, lack of access to relevant businesses and technical skills impede their capabilities. Women are less integrated with the formal and informal networks which further reduces awareness about training programmes and mentors.

6.0 Critical Analysis of Available Schemes Implemented by the Government

There are a few schemes that are widely offered and are particularly relevant for women, including the MUDRA scheme, the Prime Minister's Employment Generation Program and the Credit Guarantee Scheme offered under the Credit Guarantee Fund Trust for MSMEs

Micro Units Development and Refinance Agency (MUDRA) Scheme It was initiated in the 2015 budget with a fund size of INR 20,000 crore (USD 3.12 billion) and a credit guarantee fund of INR 3,000 crore (USD 467.64 million). It was intended to provide non-farm, non-corporate, collateral-free loans below INR 10 lac (USD 16,000) to micro and small enterprises. It is especially suitable for women since they are providing

collateral-free loans because women generally find it difficult to provide the collateral needed for financing. The paperwork is based mostly on credit history and business information and requires no guarantors. But the MUDRA system is still in its infancy — only a few financial institutions have started borrowing from it since interest rates keep varying (IFC, 2015). Moreover, there is no defined time for processing the loans (Mudra Loan business, 2018). These administrative obstacles often confuse the customer and pose the same problems of accessibility like other banks.

6.2

Prime Minister's Employment Generation Program (PMEGP) in various systems and initiatives, such as the Prime Minister's Employment Generation Program (PMEGP), the government has integrated gender sensitization actions. The PMEGP's design is attentive to women's demands. Women have to contribute half that is needed by the general group of recipients. Women also have the right to an increased project cost subsidy rate. However, the lack of awareness or promotion of this programme renders most women unable to access it in the first place (IFC, 2015)

Credit Guarantee Fund Trust for MSEs (CGTMSE) The CGTMSE scheme was introduced in 2000 and provides collateral or guarantee free credit to MSMEs. Credit to women under the CGTMSE has seen a steady increase, doubling from INR 736 crore (USD 157.7 million) in FY 2010-11 to INR 1,535 crore (USD 239.28 million) in FY 2014-15 (IFC, 2015). However, banks have highlighted delays in the receipt by the government of the guaranteed amount under the CGTMSE program and in general in the plan. Women constitute just around 6% per cent of the total lending portfolio under the scheme. (IFC, 2015)

The aforementioned disparities created hindrances in a way of participating entrepreneurial activities in our nation. Until and unless these problems cannot be

alleviated it would be somewhat difficult to increase the rate of growth in MSME of women relatively coming down drastically in upcoming years so the prime responsibility of policymakers and stake holders to pay attention on this percentage rather only introducing bunch of policies that are not beneficial for the society as well as women.

Review of literature:

(Danabakyam&Kurian, 2012)conducted study on 100 MSMEs from Chennai city by using convenience sampling method to identify industrial profile, the motivating and contributing factors inthe success of women entrepreneurs along with analysing the relation between industries related factors and the success of women entrepreneurs. The results showed that education level, previous work experience and government policies, incentives, subsidies are the most significant motivating factors while their achievements and human relations are the highly contributing factors in the success of female entrepreneurs. Their success is highly affected by the industrial related factors.

(Singh & Raina, 2013)in their study titled as Women Entrepreneurs in Micro, Small and Medium Enterprises discussed about the current status of women entrepreneurs in India along with the challenges faced by them. The authors examined that for economic development, participation of women entrepreneurs is needed as much as of male entrepreneurs and from the last few decades it has been recognized. But now also women entrepreneurs face a lot of problems related to finance, education, technological knowledge, risk management skills etc. Which are responsible for low participation of women in comparison of male entrepreneurs. However, Government is laying emphasis onpromoting women entrepreneurship through various policies, granting subsidies, Entrepreneurship Development Programmes, Incubation centres and many more.

Objectives of study:

- To promote more number of women in entrepreneurship of Maharashtra
- To make introduction of policies related to women empowerment
- To strengthen women proclivity towards undertaking MSMEs
- To aims of create sense of opportunities among the women in terms of acquiring thepolicies about entrepreneurial activities.
- To provide knowledge regarding the effectiveness of policy of MSMEs among women

Research Methodology:

The data derived from the secondary sources especially from the internet. The study is based on descriptive in nature.

Conclusions:

The study mainly focussed on the active role of women in undertaking the MSMEs entrepreneurial activities of Maharashtra. During the study I came across lot of revelation related to women needs to make knowledgeable in terms of providing information and holistic aspect about various policies for betterment of their livelihood and sustenance. It seemed obscured while undergone various reports of ministries and review of literature as well. It will be more fruitful I expect from this at a glance study. I didn't enlighten on those issues because of that women will definitely nurture in this sector. It is epoch making efforts to inclined the attention of the policy makers.

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