

# Problems and Prospects of Women Entrepreneurship in India with Special Reference to the North- East Region

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## Abstract

In 21st century, women have come forward to make their contribution in economic development of India. Many women are running enterprises successfully through their managerial qualities, commitment and creativities. Women entrepreneurs have overcome the economic and social restrictions. Entrepreneurial activities have helped them to be financially independent and confident. But still women participation in entrepreneurship is very low in India. There are numerous social, economic and cultural restrictions which women entrepreneurs have to face. The paper examines the status of women entrepreneurship in North- East India. It also highlights the challenges faced by women entrepreneurs in North-East region of India.

**Keywords:** Women, Entrepreneurship development, Socio-economic factors, India

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## Introduction

Entrepreneurship generally refers to the state of being an entrepreneur or the activities associated with being an entrepreneur (Collins, 2021). Entrepreneurial activities are considered to be an important factor for the rapid economic development of the country. Both men and women participate in entrepreneurial activities in the present world of business. Over past five decades, women have shown their presence in business start-ups. Women entrepreneurs have been identified as major force of innovation and job creation (Orhan & Scott, 2001) (Orhan & Scott, 2001). They are contributing in socio- economic development by creating job opportunities and income generation.

## Women Entrepreneurship

Even though entrepreneurship has become fastest growing area of research since 20<sup>th</sup> century, there is no uniformly accepted definition of its meaning. The Government of India has defined women entrepreneurs as, “an enterprise owned and controlled by women having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment

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generated in the enterprise to women”. (Government of India, 2012).

A woman entrepreneur is an individual with an eye for opportunities, an uncanny vision, a commercial acumen, a capability for tremendous perseverance, and above all, a willingness to take risks with the unknown because of the adventurous spirit she possesses.

## Women Entrepreneurship: Indian Scenario

Women entrepreneurship in India is at nascent stage. Most women entrepreneurs as a first generation entrepreneur not having previous business experience have successfully ventured the business (Shah, 2013). Despite government policies and promotion strategies for women entrepreneurship development, ratio of

women owned enterprises is very low. According to the MSME Annual Report 2011-12, only 13.72 per cent of enterprises in the registered MSME sector were enterprises managed by women, representing about 2.15 lakh enterprises across the country (Ministry of Micro, Small and Medium Enterprises, 2011-12). It is primarily since the last two decades that attempts to design programmes to promote women entrepreneurs as a part of national development plans have begun to be taken notice of by women.

The data presented in Table- 1 shows that USA is at the top followed by UK in terms of women work participation. India's position of women work participation is the lowest comparing with other countries. Women work participation in India has got momentum recently as the percentage of work participation went up from 14.2% in 1970-71 to 21% in 2019.

**Table- 1**  
**Women Work Participation of Select Leading Countries vis-a-vis India (2019)**

Country	Percentage
India (1970-71)	14.2
India (1980-81)	19.7
India (1990-91)	22.3
India (2019)	21.0
USA	57.0
UK	58.0
Canada	61.0
Indonesia	54.0
France	51.0
Sri Lanka	34.0
Brazil	55.0

Source: (International Labour Organisation, 2021)

### **Role of Government to Develop Women Entrepreneurs in North-East India**

The growth and development of women entrepreneurs in NE states of India is very low. Though Assam has the highest number of women entrepreneurs, percentage share of State among all MSMEs with women owners is only .54% whereas percentage share Sikkim and Arunachal Pradesh among all states with women owners are only 0.04% and 0.05% respectively. But ratio of women entrepreneurs in Manipur and Mizoram is comparatively better. Table-2 depicts that out of 172987 registered enterprises in Manipur, 86604

enterprises were owned by women. In Mizoram, 34,137 registered enterprises, 13,698 were run by women entrepreneurs. In angaland, 20865 enterprises were registered as women enterprises in the year 2019-20. It is visible from the Table-2 that women entrepreneurship is still neglected area in all the north eastern states except Manipur. There are many reasons behind low development of women entrepreneurship. There is a need of Government, non- Government, promotional and regulatory agencies to come forward and play the supportive role in promoting the women entrepreneur in India.

**Table-2**  
**State-wise Distribution of Proprietary MSMEs by Gender of Owners**

No.	State	Male	Female	All	Share of State among all MSMEs with Male Owners (%)	Share of State among all MSMEs with Female Owners (%)
	Assam	1128411	66665	1195076	2.33	.54
1.	Meghalaya	72191	39462	111653	.15	.32
2.	Tripura	179169	28042	207212	.37	.23
3.	Manipur	86383	86604	172987	.18	.70
4.	Nagaland	65778	20865	86643	.14	.17
5.	Mizoram	20439	13698	34137	.04	.11
6.	Arunachal Pradesh	16153	6274	22427	.03	.05
7.	Sikkim	20880	5036	25916	.04	.04
8.	Other States/UTs	46861318	12123876	58985194	96.72	97.84
9.	Total	4,84,50,722	12390523	60841245	100	100

Source: MSME annual report 2020-21 (Ministry of Micro, Small and Medium Enterprises, 2020)

### Challenges faced by women entrepreneurs

Even though there has been a considerable increase in the number of women entering in entrepreneurial activity, they are being introduced to many constraints and difficulties with regard to control and decision making, social status and enthusiasm in the product or serviced in which they are dealing. It is found that women are entering more in this venture as compared to man to start their own business to make social contribution in addition to desire of exploring their inner self and fulfilling their means of livelihood.

#### *Social attitude and support*

The society plays a prominent role in entrepreneurial venture and success. Although, women in north- east India receive a strong support from their family and social environment but they hesitate to enter in the entrepreneurial activities. The most common problem which a woman faced is the non-cooperation from her husband or close family members. Besides, these family related hurdles, women too face other problems like mobility constraints, dual responsibility, low managing ability, risk bearing ability etc.

### Marketing Constraints

On the other hand women entrepreneurs face marketing

barriers in the form of competition from cheaper and substitute product, delayed payment and liberal credit terms. Women entrepreneurs neither have knowledge nor access to proper market. They sell their product through the middle man. The middle men take major portion of the profit and women entrepreneurs receive a meager amount even if the demand of product is high.

#### Financial constraints

Even though, women entrepreneurs may have adequate knowledge and information of the various financial institutions, they find it very to approach financial institutions for financial assistance. They have to depend on own saving which sometimes is insufficient to fulfill the financial requirements.

### Problems in Operating Business

Women entrepreneur in North-East India struggle not only at the time of establishment of enterprises but at operational stage too. They face different functional difficulties. Scarcity of raw materials, obsolete technology, managerial skills, lack of infrastructural facilities etc are some of the major problems which women entrepreneurs face in operating their business.

## Management Skills

In NE states, management training institutes are very few. These institutes are unable to fulfill the increasing demand. However, the increasing number of female students in management institutions is a positive trend. But still many women entrepreneurs run their business without formal institutional training that causes difficulties in taking business decisions.

## Mobility Constraints

Women in North-East face the problem of restricted mobility. They find difficult move frequently in other parts of the country because of social and security concerns. Many a times, they have to depend on male members of the family for long distance travel.

## Dual Responsibility

Women entrepreneurs have to perform dual responsibility. They have to run their enterprises as well as work in the family as mother or wife. Household responsibilities affect their concentration on business activities and many times hampers their business decisions.

## Unawareness of the supports and incentives

Women entrepreneurs usually run their business the resources in the family. They often do not get information on various schemes run by central and state governments.

Measures to Improve Women Entrepreneurship in North- East

- Women entrepreneurs should be specialised training. They should be made aware accounting practices, production technology, marketing strategies and managerial skills.
- Poverty and lack of resources are very high in poor communities. Hence, Women from schedule caste and schedule tribe should be given special attention in granting financial assistance.
- Dependency on male members of the family is

another major problem. Hence, Entrepreneurship development institutions should develop a system where women entrepreneurs could be able to take support.

- Literacy rate is comparatively low among women in rural areas. This becomes a major hurdle in running the business. Hence, special adult literacy programmes should be conducted to give basic reading and writing skill to the illiterate women entrepreneurs.
- Government should prepare a database of women entrepreneurs so that financial assistance and observation could made timely.

## Conclusion

Though, female population is almost half of the total population of India, participation of women in entrepreneurial activities is disappointing. Despite various government initiatives and institutional support, number of women entrepreneurs in India is very less. When it comes to northern states, only few women entrepreneurs are able to start and run their business. It is evident that those societies are in a better position where women participation in the field of entrepreneurship is increasing. Efforts are being taken at the economy to bring promise of equality of opportunity in all spheres, laws guaranteed equal rights of participation in political process and equal opportunities and rights in education and employment to the Indian women. Government has focused on women participation in entrepreneurial activities. Ministry of Entrepreneurship and Skill Development has launched special schemes dedicated only to women entrepreneurs.

The future for women entrepreneurship is very bright and there will soon arrive a day when women entrepreneurs will not only be performing at par with the male counterparts but will also proceed to supersede them in various spheres of entrepreneurship.

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