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**AN ANALYSIS UPON THE CONTRIBUTION OF
DISTRICT INDUSTRIES CENTRE IN
DEVELOPMENT OF WOMEN ENTREPRENEURS
IN INDIA: ISSUES AND OPPORTUNITIES**

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An Analysis upon the Contribution of District Industries Centre in Development of Women Entrepreneurs in India: Issues and Opportunities

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Abstract – Indian industry has entered a new phase in its development. In many sector of the industry such as machine tools, textile machinery, power equipment's, material handling equipment etc., the industry is in a position to plan for major initiatives even on an international basis. The country has the four advantages in terms of cheaper labour cost, as also abundant availability of well-trained engineers and experienced managers and technical labour force, scientists, etc. these aspects are likely to receive adequate attention in the present decade. The country has been opened up to the forces of globalization. With globalization, they are more exposed to severe competition both from large-scale sector, domestic, foreign and from the MNCs. The entrepreneur is the key to the creation of new enterprises that energises the economy and rejuvenate the established enterprises that make up the economic structure.

Entrepreneurship is emerging as an important avenue in gaining economic independence for women. In last two decades (in post-liberalization era), the economic reforms coupled with loosening of social restrictions has further provided an impetus to women to become entrepreneurs. According to the current trends most of the emerging women entrepreneurs are in small and micro enterprises.

A cursory look at their situation highlights a number of major challenges faced by them. These challenges can be broadly classified as: lack of awareness, lack of information, difficulty in accessibility of finance, lack of easy access of entrepreneurial training and post training support, lack of market and network support, lack of self-confidence and managerial skills etc.

In recent times, the government has realized the importance of entrepreneurship as a prominent alternative to traditional wage employment in the new economy, and its role in increasing the pace of economic growth. Therefore, Indian government has come up with various special policy measures to help women entrepreneurs.

However, there are major limitations among women entrepreneurs in accessing those facilities. These limitations arise due to various factors, such as: bureaucratic hassles, limited number of government training centres, lack of transportation mainly in remote areas, restriction of government officials in terms of timing when women also have to perform household activities etc.

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INTRODUCTION

Women owned businesses are highly increasing in the economies of almost all countries. The hidden entrepreneurial potentials of women have gradually been changing with the growing sensitivity to the role and economic status in the society. Skill, knowledge and adaptability in business are the main reasons for women to emerge into business ventures. Women

Entrepreneur' is a person who accepts challenging role to meet her personal needs and become economically independent. A strong desire to do something positive is an inbuilt quality of entrepreneurial women, who is capable of contributing values in both family and social life. Today women are aware of their own traits, rights and also the work situations. Women Entrepreneurs are having confidence to initiate, organize and

operate a business enterprise. This paper highlights the problems and opportunities of women entrepreneurs in India.

Entrepreneurship has progressed from successful management of small-scale enterprises to managing multi-national companies. A few Indian enterprises appear in the first 500 world corporations and in the IT industry, many of the enterprises are in top slot like Infosys, Wipro, HCL etc., are in top slot. Due to technological advancement the business environment has changed. Some individuals saw an opportunity in the emerging IT industry. India has been able to demonstrate its caliber and play a dominant role at present. Due to country's crisis, a large number of workers are forced remain jobless both in rural and urban areas. In order to tackle this problem, DIC plays an prominent role in entrepreneurial development. They give support and assistance to the entrepreneurs.

Women entrepreneurs have been designated as the new engines for growth and the rising stars of the economies in developing countries to bring prosperity and welfare. Women Entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. 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 generated in the enterprise to women. The growth of the proportion of women entrepreneurs in developing countries has drawn the attention of both the academic and the development sector.

Women entrepreneurs engaged in business due to push and pull factors which encourage women to have an independent occupation and stands on their own legs. A sense towards independent decision-making on their life and career is the motivational factor behind this urge. Under the influence of these factors the women entrepreneurs choose a profession as a challenge and as an urge to do something new. Such a situation is described as pull factors. While in push factors women engaged in business activities due to family compulsion and the responsibility is thrust upon them.

The DICs came into existence in the year 1978. The realization of the need to make the district as a focal point of industrial planning and development crystallized in the establishment of DICs. The DICs are considered as an institutional innovation to assist small scale industrial units at three important stages viz., pre-investment, investment and post-investment stages. They are also considered as a single window of clearance for industrial units.

Announcing the Industrial Policy Statement of 1977, Mr. George Fernandez, the then Union Minister of Industries made the following statement in the Parliament. In each district there will be one agency to

deal with all the requirements of small and village industries. Under the single roof of DIC, all the services and support required by small and village entrepreneurs will be provided. These will include economic investigation of the district raw materials and other resources, supply of machinery and equipment, provision of raw materials, arrangement for credit facilities, an effective step for marketing and a cell for quality control, research and extension.

The DIC therefore is expected to provide all the services and facilities to entrepreneurs under a single roof for setting up small and village industries. There are three important functions, which the DICs could discharge profitably. The DICs should act as a data bank, an information bank and a dissemination centre, for giving prompt up-to-date and reliable information to anybody trying to set up a small scale unit and the information would not only be with regard to licensing procedures but also about what is in the realm of feasibility and what is not.

Another area is regulatory work of registration, deregistration, monitoring and utilization of credit, raw materials, processing of cases regarding supply of machinery on hire purchase, marketing assistance, etc. The third aspect in which the DICs can play an effective role is with regard to interlinkages with different institutions such as electricity department, department of water works, municipality/ panchayat, town planning, commercial banks, etc. The DICs should function in a close coordination with all agencies related to industrial development at the district level. To ensure this, there should be a single line of command operating from the DIC for the entire field staff connected with industrial promotion activities.

WOMEN ENTREPRENEURS IN INDIAN ECONOMY

India is emerging as an economic powerhouse of the world. The recent economic crisis has dampened the world economy but the dynamism of the Indian economy has outlived the sluggishness of the crisis. In 2010, Indian economy became the third largest economy in terms of Purchasing Power Parity (PPP) in the world. According to many surveys and reports by world's leading economic analysts, Indian economy is poised to be a leader of the world economy in coming decades. Some of the recent surveys, such as those undertaken by Sachs and Coopers estimate that India has the potential to be among the world's leading economies by 2050.

The reforms in the post-1990s set the stage for substantial improvement in the Indian economy. India's economy grew at an average of 6.3% from 1992-93 to 2001-02. Further the rate of inflation and fiscal deficit both decreased substantially in the initial period. Improved exchange rate management led to improved financing of the current account deficit and higher foreign exchange reserves. India's Gross

Domestic Product (GDP) at PPP is estimated at US \$ 5.16 trillion or US \$ 3.19 trillion depending on whether the old or new version factor is used. In the former case, India is the third largest economy in the world after US and China. While in the latter, it is the fifth largest (behind Japan and Germany).

It is argued that in the post-reform regime, Indian economy has overcome the complex system of government control (including price ceilings, resultant corruption, arbitrary decision making, non-transparent transaction etc.). Yet, India has a long way to go before it meets the expectations and utilise all the possibilities. The problems of extreme poverty, high levels of unemployment, inequality and disparity plague the Indian economy.

The Planning Commission of India reported that in 2004-05, the poverty ratio (by Uniform Recall Period Method) was 27.5%. This was 28.3% for rural areas compared to 25.7% in urban areas. According to the World Bank, percentage of people earning below \$1.25 a day decreased from 60% in 1981 to 42% in 2005. However, the number of poor people earning below \$1.25 a day has increased from 421 million in 1981 to 456 million in 2005. This indicates that there are a large number of people living just above this line of deprivation.

PROBLEMS OF INDIAN WOMEN ENTREPRENEUR

Generally women need to come across lot of struggles, challenges and obstacles in their personal life. When they turn into business they have to face many problems for every success. Despite effort is made by them they must be recognized positively and their faith to withstand by themselves.

- **Lack of confidence** – In general, women lack confidence in their strength and competence. The family members and the society are reluctant to stand beside their entrepreneurial growth. To a certain extent, this situation is changing among Indian women and yet to face a tremendous change to increase the rate of growth in entrepreneurship.
- **Socio-cultural barriers** – Women's family and personal obligations are sometimes a great barrier for succeeding in business career. Only few women are able to manage both home and business efficiently, devoting enough time to perform all their responsibilities in priority.
- **Market-oriented risks** – Stiff competition in the market and lack of mobility of women make the dependence of women entrepreneurs on middleman indispensable.

Many business women find it difficult to capture the market and make their products popular. They are not fully aware of the changing market conditions and hence can effectively utilize the services of media and internet.

- **Motivational factors** – Self motivation can be realized through a mind set for a successful business, attitude to take up risk and behavior towards the business society by shouldering the social responsibilities. Other factors are family support, Government policies, financial assistance from public and private institutions and also the environment suitable for women to establish business units.
- **Knowledge in Business Administration** – Women must be educated and trained constantly to acquire the skills and knowledge in all the functional areas of business management. This can facilitate women to excel in decision making process and develop a good business network.
- **Awareness about the financial assistance** – Various institutions in the financial sector extend their maximum support in the form of incentives, loans, schemes etc. Even then every woman entrepreneur may not be aware of all the assistance provided by the institutions. So the sincere efforts taken towards women entrepreneurs may not reach the entrepreneurs in rural and backward areas.
- **Exposed to the training programs** - Training programs and workshops for every type of entrepreneur is available through the social and welfare associations, based on duration, skill and the purpose of the training program. Such programs are really useful to new, rural and young entrepreneurs who want to set up a small and medium scale unit on their own.
- **Identifying the available resources** – Women are hesitant to find out the access to cater their needs in the financial and marketing areas. In spite of the mushrooming growth of associations, institutions, and the schemes from the government side, women are not enterprising and dynamic to optimize the resources in the form of reserves, assets mankind or business volunteers. Highly educated, technically sound and professionally qualified women should be encouraged for managing their own business, rather than dependent on wage employment outlets. The unexplored talents

of young women can be identified, trained and used for various types of industries to increase the productivity in the industrial sector. A desirable environment is necessary for every woman to inculcate entrepreneurial values and involve greatly in business dealings.

OPPORTUNITIES OF INDIAN WOMEN ENTREPRENEUR

Women entrepreneurs believe good enough to contribute for the society wellbeing in order to tap the opportunities in entrepreneurship. They have many responsibilities towards society betterment. In recent days women entrepreneurs are performing extremely fantastic.

- Eco-friendly technology
- Bio-technology
- IT enabled enterprises
- Event Management
- Tourism industry
- Telecommunication
- Plastic materials
- Vermiculture
- Mineral water
- Sericulture
- Floriculture
- Herbal & health care
- Food, fruits & vegetable processing.

ROLE AND FUNCTIONS OF DISTRICT INDUSTRIES CENTRE

The District Industries Centres (DIC's) programme was started in 1978 with a view to providing integrated administrative framework at the district level for promotion of small scale industries in rural areas. The DIC's are envisaged as a single window interacting agency at the district level providing service and support to small entrepreneurs under a single roof. DIC's are the implementing arm of the central and state governments of the various schemes and programmes. Registration of small industries is done at the district industries centre and PMRY (Pradhan Mantri Rojgar Yojana) is also implemented by DIC. The organizational structure of DIC'S consists of General Manager, Functional Managers and Project Managers to provide technical services in the areas relevant to the needs of the district concerned.

Management of DIC is done by the state government. Progress of DIC Till March 31st 1998, 422 District Industries Centres (DICs) have been set up covering 431 districts of country leaving out the metropolitan cities and some new districts. The same rose to a total of 640 Districts as per the census of 2011.

In each district one agency to deal with all requirements of small and village Industries. This is called "District Industries Centre", The District Industries Centres have undertaken various programmes for investment promotion at the grass root level such as organizing seminars workshops, extending support for trade fairs and exhibitions organized by various Industry's associations. All the services and support required for MSME units under was the single roof of the District Industries Centre. The Centre has a separate wing to look after the special needs of cottage and house-hold industries as district from small industries.

Functions of DICs - The DIC's are funded by the State government concerned and the Centre jointly. The Government has provided substantial assistance to the DIC's which can be spent by DICs on construction of an office building, expenditure on furniture, fixtures, equipment, vehicles and other recurring expenses. With this basis facility, DIC's in the district level undertakes various promotional measures with a view to bringing out all development of SME in the district. It starts from exploration of potential entrepreneurs to marketing the products produced by the SMEs. The DICs provide and arrange a package of assistance and facilities for credit guidance, raw materials, training, marketing etc. including the necessary help to unemployed educated young entrepreneurs in general. Thus it may be said that DIC extends promotional, technical, physical, financial, marketing and all other type of services, required for growth and development of SSI. The important functions of DICs are discussed as follow:

1. **Identification of Entrepreneurs:** DIC's develop new entrepreneurs by conducting entrepreneurial motivation programmes throughout the district particularly under SEEUY scheme. DICs also take association of SIS's and TCOs for conducting EDPs.
2. **Provisional Registration:** Entrepreneurs can get provisional registration with DICs which enable them to take all necessary steps to bring the unit into existence. The entrepreneur can get assistance from term lending institutions only after getting provisional registration. The provisional registration is awarded for two years initially and can be renewed every year but only for two times.
3. **Permanent Registration:** When the entrepreneur completes all formalities required to commence the production like selection of site, power connection, installing machinery

etc they can apply to DIC for permanent registration. It is only after getting the permanent registration that the entrepreneur can apply for supply of raw materials on concessional rates. Permanent registration is essential to avail all types of benefits extended by the government from time to time.

4. **Purchases of Fixed Assets:** The DIC's recommend loan applications of the prospective entrepreneur to various concerned financial and developmental institutions e.g. NSIC, SISI etc. for the purchase of fixed assets. It also recommend to the commercial banks for meeting the working capital requirement of SSI to run day -to -day operations.
5. **Clearances from Various Departments:** DIC takes the initiative to get clearances from various departments which is essential to start a unit. It even takes follow up measures to get speedy power connection.
6. **Assistance to Village Artisans and Handicrafts:** In spite of inherent talent and ability, village artisans are not better off because they lack financial strength to strive in the competitive market. DIC in support with different lead banks and nationalized banks extends financial support to those artisans.
7. **Incentives and Subsidies:** DIC helps SMEs and rural artisans to subsidies granted by government under various schemes. This boost up the moral as well as the financial capacity of the units to take further developmental activities. The different types of subsidies are power subsidy, interest subsidy for engineers and subsidy under IRDP etc. from various institutions.
8. **Interest Free Sales Tax Loan:** SIDCO provides interest free sales tax loan up to a maximum limit of 8per cent of the total fixed assets for SSI units set up in rural areas. But the sanction order for the same is to be issued by DIC. The DIC recommends the case of SME to National Small Industries Corporation Limited for registration for Government purchase programme.
9. **Assistance of Import and Export:** Government is providing various types of incentives for import and export of specific goods and services. These benefits can be availed by any importer or exporter provided the same is routed through the concerned DIC. Export and import license is also issued

to the importer or exporter only on the basis of recommendation of DIC.

10. **Fairs and Exhibitions:** The DIC inspires and facilitates the SSI units to participate in various fairs and exhibitions which are organized by the Government of India and other organizations to give publicity to industrial products. DICs provide free space to SMEs for the display of their products and provide financial assistance for the purpose.
11. **Training Programmes:** DIC organizes training programs to rural entrepreneurs and also assists other institutions or organization imparting training to train the small entrepreneurs.

CONCLUSION

India is a developing country and having mixed economy, male dominated society and women are assumed to be economically as well as socially dependent on male members. Women entrepreneurs are having basic indigenous knowledge, skill, potential and resources to establish and manage enterprise, but simultaneously women entrepreneurs faced lots of problems like lack of education, social barriers, legal formalities, high cost of production, male dominated society, limited managerial ability, lack of self-confidence, harassment and not fulfillment of rules and regulation etc. Various factors like positive reinforcement and negative reinforcement influencing women entrepreneurs. Successful leading business women in India are ideal role model for our country. Government takes various steps for the upliftment of women entrepreneurs in 7th five year plan, 8th five year plan and in 9th five year plan. Women have the potential and determination to setup, uphold and supervise their own enterprise in a very systematic manner, appropriate support and encouragement from the society, family, government can make these women entrepreneur a part of mainstream of national economy and they can contribute to the economy progress of India.

The challenges and opportunities provided to the women in this digital era are growing rapidly fantastic rather job seekers. They are flourishing as designers, interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation. Independence brought promise of equality of opportunity in all sphere to the Indian women and laws guaranteeing for their equal rights of participation in political process and equal opportunities and rights in education and employment were enacted.

The District industries center should make efforts to give various supports and Assistance to the entre-

preneurs. So, that they can compete with multinational corporation through improvement in technology and quality. The DIC assists entrepreneurs in getting statutory clearances from Local Bodies, Town Planning, Pollution Control Board, Public Health, Factories and other Departments and getting power connections through the Single Window Committee. The District Single Window Committee has been formed with District Collector as its Chairman. A State Level Committee under the Chairmanship of the Chief Secretary to Government periodically reviews the functioning of the District Window Committees in the State.

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