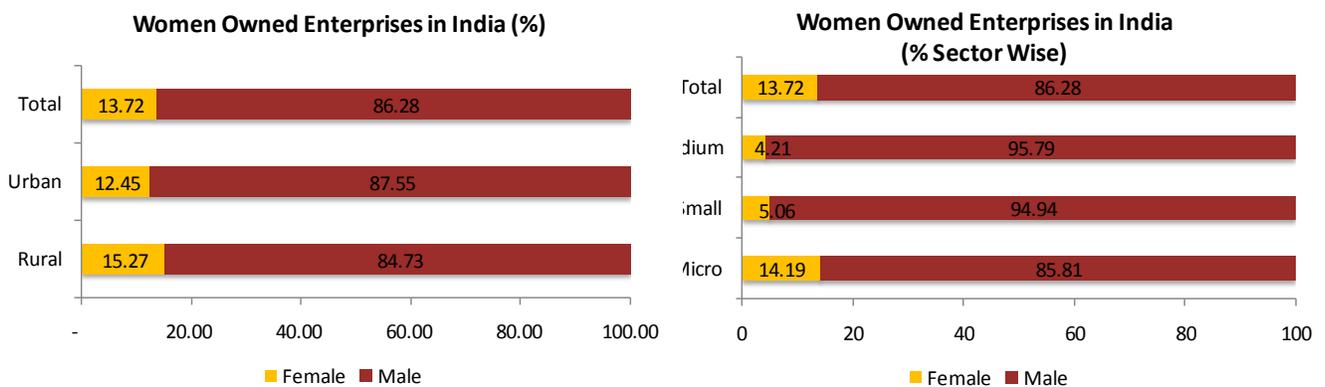


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ENCOURAGING WOMEN ENTREPRENEURS TO EXCEL

Micro, Small & Medium Enterprises (MSMEs) are very important for the development of any economy given their role in job creation and their ability to foster entrepreneurship. It should be noted that these MSMEs do not only include enterprises, rather, they are led by entrepreneurs. These entrepreneurs can be classified on the basis of age, education, business characteristics, gender etc. Over the past two decades, one of the categories which has developed significantly is those of enterprises which are owned or being operated by women.

According to Fourth All India Census of MSMEs, Women Owned Enterprises (WOE) formed nearly 13.72% of the registered units and about 9.09% of the unregistered units are being headed or operated by women. Similarly, if we see the sector wise distribution of enterprises owned or operated by women, micro enterprises represents the highest WOE with a share of more than 14.19%.



Source: Fourth All India Census of MSMEs

However, these women entrepreneurs face immense challenges particularly in the area of finance, marketing and proper training apart from difficulties in maintaining their work life balance. Women in general have less opportunity in availing finance on account of lack of collateral. Banks and Financial

Institutions (FIs) also consider them less credit worthy on the belief that they can leave their business at any point of time giving priority to their household as a result of which they generally have to rely on their own savings or funds availed from their family members, which often remains inadequate to sustain the business in long run. Similarly, on the marketing front they face challenges on account of safety, lack of transport facility and competition from the larger enterprises. According to a study conducted by United Nations Industrial Development Organization (UNIDO) women are generally less aware about the training opportunities and hence have less access to vocational as well as technical training.

The Government of India (GoI) is making significant efforts in presenting equal opportunities in all spheres to Indian women whether in terms of their legal rights, education or employment. Currently there are more than 25 schemes unveiled for women empowerment/ enterprise development operated under different ministries.

Schemes	
Integrated Rural Development Programme (IRDP)	Working Women's Forum
Training of Rural Youth for Self Employment (TRYSEM)	Rashtriya Mahila Kosh
Prime Minister's Rojgar Yojana (PMRY)	Khadi and Village Industries Commission
Women's Development Corporation Scheme (WDCS)	Trade Related Entrepreneurship Assistance and Development (TREAD)
Indira Priyadarshini Yojana	Rural Employment Generation Programme (REGP)
Small Industries Development Bank of India (SIDBI)'s Mahila Udyam Nidhi Mahila Vikas Nidhi	

However, it has been observed that the benefits of most of the schemes are often being limited to urban middle class women who in general have higher level of awareness. Onicra believes that in order to encourage women entrepreneurs to excel, it is necessary to support them both financially and

technically and handhold them to make optimum utilization of the resources, both human and economic. Performance and credit rating can act as a tool for identifying such entities to link them to a number of government schemes. Apart from this, it can also act as a decision support tool for assessing the qualification of such enterprises to avail the benefits of the schemes. Given below are the applications of performance and credit rating tool which can be valuable to identify eligible WOE according to their life cycle stages:

Life Cycle Stages	
Start-Up stage	Ratings as a tool for start-ups to avail startup capital
Doing and expanding business	Ratings as a tool for providing financing facility
	Ratings as a tool for promoting technology up-gradation
Closure & exit stage	Rating as a tool for debt restructuring for sick units

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