

Commercial Banks Finance and Economic Empowerment in Women-Owned Micro and Small Enterprises in India – A Study on Engineering Sector of Howrah, West Bengal

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Abstract

Micro and small enterprises (MSEs) play a significant role in introducing high level of socio-economic empowerment to all levels of social beings with its huge contribution in production, export promotion, employment generation, and value addition. Besides, it is well capable in redressing off the concomitant hazards of our nation like unemployment, poverty etc. The beneficial effect of the very sector is increased sharply if it is being participated by the marginalised gender section of our society, women. Notwithstanding, the sector cannot protect itself from several down-gradation in its survival due to several controllable and/or uncontrollable causes amongst which the inadequate need-based finance is considered to be the most severe one (All India Fourth Census Report of Ministry of Micro, Small and Medium Enterprises (MSMEs), 2006-2007). In this context, the Central Bank has declared many promotional financial policies for the neediest sector of economy which has been allowed to be practised by all the financial institutions of which the Commercial Banks (CBs) are the most significant ones. But CBs sometimes are blamed for their unfriendly partial attitude towards the very sector for their sole emphasis on commercialisation. The women-owned MSEs in this context sometimes suffer a lot for the gender-discriminative credit policy of the CBs.

In India, amongst different states, West Bengal (WB) is taken as a significant contributor so far as the number of women-owned MSEs and their performances are concerned. WB here specially recognises the engineering sector of Howrah, the former Birmingham

of the East, for its special contribution in socio-economic development of it. Though men-dominated sector, women-owned units here are also found to perform prestigiously irrespective of different hindrances mainly originated from need-based financial lacuna. CBs here are also found to be responsible ones reflecting the nation-wide picture over there which ultimately puts a question on proper implementation of financial policies to serve the marginalised gender section of the society.

The present paper, therefore, aims at identifying to what extent the financial assistance of Commercial Banks empowers economically the women-owned micro and small engineering enterprises of Howrah and recommending some suggestions for further improvement following descriptive research methodology and relevant statistical tools and techniques.

Keyword: Women-owned MSEs, Commercial Banks, Financial Inclusion, Economic Empowerment.

Introduction

Micro and Small Enterprises (MSEs)¹ play a lead role in providing large scale employment and in alleviating inequality in income and wealth distribution in the

¹ Manufacturing Micro, Small and Medium Enterprises should have investment in plant and machineries to the extent of ₹25 lakh and ₹25 lakh to ₹5 crore and ₹5 crore to ₹10 crore respectively, while the service rendering MSEs should have the maximum limit of investment in equipment of ₹10 lakh and ₹10 lakh to ₹2 crore and ₹2 crore to ₹5 crore respectively (Micro, Small and Medium Enterprises Development (MSMED) Act, 2006).

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developing countries like India. The principal significance of MSEs lies in the fact that they ensure huge contribution in production (₹608152.14 crore²), export promotion (₹56031.07 crore³), employment generation (8758242 persons⁴) and gross value addition (₹100605.25 crore⁵) with minimum amount of capital investment. MSEs add special flavour to the socio-economic inclusion if they connect with the excluded gender section of our society – women under their entrepreneurial purview. Women-owned MSEs spread their roots in every possible premise from simplified home-based products to high capital-intensive, high-tech enterprises.

But, irrespective of the appraising role and performance in uplifting socio-economic development, MSEs have to sail through a lot of endogenous and exogenous problems among which lack of demand, lack of need-based finance, marketing mismanagement etc. are the severe ones⁶. Women-owned MSEs, in this context, have to face some additional problems also for gender insensitive socio-economic environment of the country like absence of education and skill, little awareness about the promotional policies of government, etc.

Considering this fact and empowering women entrepreneurial activity, the Central Bank of India has opted a gender-sensitive principle in financing through financial inclusion policy. The policy has to be adopted and practised by all financial institutions (FIs) and banks among which Commercial Banks (CBs) seemed to be the most important ones. Nevertheless, the women-owned MSEs are forced to face tremendous hardship in operating their units due to lack of need based finance mainly for the lower accessibility of financial assistance from CBs. All these circumstantial issues are responsible for making continuous reduction of women-owned working MSEs in India⁷.

In India, women-owned MSEs have expanded their steps in all regions and states among which West Bengal (WB) is especially mentionable for its huge number of women-

owned units⁸ and their appreciable performance. WB, the most prosperous state of the Eastern Region as per the performance of MSEs⁹, has recognised the contribution of the engineering sector of Howrah, the former Birmingham of the East¹⁰. Though the engineering sector of Howrah is predominantly a male-dominated one, women are also found to perform prestigiously there. But side-by-side, they have to face trouble due to dearth of need-based finance which echoes the Nation-wide problem once again. Moreover, the solely women-owned units here have to face partial treatment in arranging finance from banks etc. than the other group of women, performed with men. All these issues ultimately raise a question whether the women-owned MSEs are having the actual benefit of financial inclusion in practice or not.

Considering the background of the present study, the remainder parts of it have been structured as follows. Second section reviews some related literature in this area. The objectives of the study are depicted in third section. An overview of women economic empowerment and CBs financial assistance to MSEs (women-owned) in India has been focused in fourth section. The methodology, analysis, and findings of the study have been discussed in fifth section. In sixth section, the conclusion and recommendations have been enumerated, while seventh section discloses the limitations of the present study.

Review of Related Literature

‘Women empowerment’ and its related issues are considered to avail of significant concentration in today’s research activities in all over the world. MSMEs in this regard, achieve special importance in generating uplift in women livelihood. In this section, effort has been made to explore the theme of the related literature both from international and national perspectives till reviewed.

Some researchers namely Stevenson and St. Onge (2005), Niethammer (2013), Chung, Kantachote, Mallick, Polster,

² Office of the Development Commissioner, Ministry of Micro, Small and Medium Enterprises (MSME), All India Fourth Census Report, 2006-2007.

³ *Ibid*

⁴ *Ibid*

⁵ *Ibid*

⁶ *Ibid*

⁷ 7.36% of total MSMEs were owned by women as per Fourth Census Report 2006-07, while 10.11% as per Third Census Report 2001-02, (MSME 2006-2007).

⁸ WB contained 20.80 lakh unregistered and 64611 registered working MSMEs of which 2.05 lakh and 4.42 thousand were women owned respectively just after Tamil Nadu and Kerala as per All India Fourth Census Report 2006-07.

⁹ Office of the Development Commissioner, Ministry of Micro, Small and Medium Enterprises (MSME), All India Fourth Census Report, 2006-2007.

¹⁰ Howrah contains 9489 registered MSMEs just after Kolkata 12601 (MSME Development Institute, Kolkata, 2011-2012)

and Roets (2013) and Vossenbergh (2013) argued that in all private and public sectors, gender mainstreaming initiatives should highly be appreciated which would welcome gender equality in socio-economic issues. Cohoon, Wadhwa, and Mitchell (2010) and Inmyxai and Takahashi (2010) focused on the importance of investment in women-entrepreneurial economic participation which could invite sustainable development of a fragile economy mainly developing in kind and empower the women highly. Malhotra, Schuler, and Boender (2002), in this context, considered the fact that empowerment of women would come if the women could have the capacity to recognize and utilise the accessed assets individually or collectively in their own interest. It was proposed that women empowerment should be measured from six different dimensions: economic, socio-cultural, familial, legal, political and psychological. This fact was also echoed in UNDP Report (2008b) wherein five major components were detected to determine the women-empowerment scale including women's sense of self-worth and also several rights to have choices; power to control their own lives and ability to influence the direction of social change etc. Charmes and Wieringa (2003), in their attempt to measure women empowerment, mentioned three dimensions based mainly on the oppressive power of the existing gender relation and creation of different social relation. Chung *et al.*, (2013), identified the indicators of women empowerment in the context of developing nations. The study identified five dimensions for measuring women empowerment: economic contribution, education, governance, health, and media.

MSEs ensured the participation of socio-economically and culturally backward section of our society under their entrepreneurial ground with which the deprived section can have touch with the main stream activities (Palaniappan, Ramanigopal, & Mani, 2012; Sharma, Dua, & Hatwal, 2012; Shah, 2013; Vijayakumar & Jaychitra, 2013). Women participation in MSEs is found to be correlated with several environmental issues which may have positive (motivating) or sometimes negative (hindering) impact on them. But as per trend of developing countries, women participation in MSEs is found to be the outcome of fulfilling their necessity which acts as motivating factor in their participation in any enterprise including MSEs (Okafor & Mordi, 2010; Pines, Lerner, & Schwartz, 2010). But the negative/hindering factors in modes like gender difference in accessing credit, in government policy, lack of innovation, absence of marketing potentiality etc., make the women-owned MSEs less progressive

and underperformed in comparison with the male-owned ones (Bekele & Worku, 2008; Inmyxai & Takahashi, 2010). Therefore, government policy initiation should be welcomed in protecting the women entrepreneurs from the hardships in their entrepreneurial participation (Stevenson & Onge, 2005). Amongst which the financial policy as taken by the Central Bank and practised by the financial institutions in the bracket of financial inclusion to support the women entrepreneurs financially is especially appreciable (Banerjee & DasGupta, 2013). But the unfriendly attitude of the financial institutions specially CBs, the main source of finance, may invite gender indiscrimination in financing along with financial trouble in women-owned enterprises (Bose, 2013; DasGupta, 2010; Banerjee & DasGupta, 2013)

The literature so far reviewed has reflected the fact that a good number of studies have been carried out on various aspects of women economic empowerment through entrepreneurship in India. However, no significant study both at national and regional levels has been addressed on the field like the role of CBs financial assistance in economic empowerment of women entrepreneurs especially of MSEs of specific sector. In this backdrop, the present paper attempts to analyse the role of CBs financial assistance in economic empowerment of women-owned MSEs especially from engineering enterprises of Howrah.

Objectives of the Present Study

The present paper aims at (i) examining the association between CBs financial assistance and economic empowerment of women-owned micro and small engineering enterprises of Howrah and (ii) recommending some suggestions in this issue to the connected parties for further improvement.

Women Economic Empowerment and Commercial Banks Financial Assistance to MSEs (Women-owned) in India- An Overview

Women Economic Empowerment – A Conceptual Framework

Entrepreneurial activity ensures 'empowerment' in the excluded gender section of our society, women, with self-esteem, self-respect, and economic freedom.

'Empowerment' invites 'social inclusion'¹¹ of the marginalised excluded group of society and can be defined as the enhancement of asset and capabilities of diverse individuals and groups to engage, influence and hold accountable the institutions which affect them (Narayan, 2002). The report of UNDP (2008), in this line, commented here that empowerment of women can be justified if they have the sense of self-worth and also several rights to choices, power to control their own lives and ability to influence the direction of social change etc. Many researchers (Malhotra *et al.*, 2002), in this respect, detected the main important components of women empowerment under different areas like economic, socio-cultural, familial/interpersonal, legal, political, psychological where different contributories are found under two main broad groups—Household and Community. Within these specific areas of women empowerment, economic empowerment of women section is supposed to be the main or rather most important one, inviting development in other areas also. The researchers (Malhotra *et al.*, 2002) in this field identified total eight component under women-economic empowerment divided as three contributories under household (women's control over income, contribution to family support, access to and control of family resources) and five contributories under community (women access to employment, ownership of assets and land, access to credit, access to market, involvement and/or representation in local market).

Commercial Banks Financial Assistance to MSEs (Women-owned) in India

MSEs in India, irrespective of their appraising constructive roles in promoting socio-economic development, have to bear tremendous constraints in operation mainly due to financial inadequacy. The severity of this problem increases with inclusion of excluded gender section of our society, women in the entrepreneurial activity of MSEs. The main drawback of women entrepreneurs is that they are 'women'. A kind of patriarchal male-dominated social order blocks their way towards business success¹².

¹¹ The removal of institutional barriers and enhancement of incentives to increase the access of diverse individuals and groups to assets and development opportunities (Narayan, 2002)

¹² As per the Fourth Census Report (2006-2007), only 13.72% of total Micro, Small and Medium Enterprises (MSMEs) sector were found under the ownership of women of which 99.95% was in MSEs.

This issue can be viewed world-wide as according to International Financial Corporation (2014), the financial requirement of women entrepreneurs was \$158 billion in 2012 but they availed of only \$42 billion from formal lenders. In this context, the women-owned enterprises also suffer due to socio-cultural hardship and bindings to become entrepreneurs. The lending institutions, mainly the CBs here have been blamed to act unfriendly attitude to the needy women section¹³. It is, therefore, highly recommended to structure out a benefiting policy for the marginalised needy section of ours. The RBI, in this context, has declared extra assistance to all the financially excluded poor sections including women and MSEs and considered them under its Priority Sector Lending (PSL) Principle¹⁴, practiced by financial institutions, especially CBs for MSEs. Women-owned MSEs here enjoy all the financial assistance grant to MSEs at soften interest and other terms and conditions like Composite Loan (₹ 1 crore), Collateral-free Security (upto ₹10 lakh or ₹25 lakh in some exceptional cases), Credit Guarantee Trust for Micro and Small Enterprise (CGTMSE) (upto ₹1 crore), Credit Linked Capital Subsidy Scheme (CLSS) at soften interest rates, etc. (RBI, 2010). In addition thereto, with 2032 specialised Micro, Small and Medium Enterprises (MSME) branches, CBs aim at availing of 10 per cent annual growth in the number of MEs account. Therefore, CBs extent their financial support services in variant areas to promote a stronger field for women entrepreneurs. But despite the assistance, women-owned MSEs still have to bear the paucity in their need-based financial base which in addition to the mismanagements in other functional areas invite huge pressure on their sustainability in competitive scenario.

Methodology, Analysis and Findings of the Present Study

Under this study, the Micro and Small Engineering Enterprises of Howrah have been selected for their special

¹³ As per the recent evidence, 58 per cent of women have an account at a formal financial institution compared with 65 per cent of men (Demirgüç-Kunt *et al.*, 2015)

¹⁴ As per the guidelines, the CBs have to extend credit to MSEs under that Overall Priority Sector umbrella which is 40% (32% for Foreign Banks operating in India having less than 20 branches) of Adjusted Net Bank Credit or credit equivalent amount of Off Balance Sheet Exposure, whichever is higher. Moreover, 60 percent of MSEs credit should be reserved for MEs (RBI, July 1, 2013).

importance in national as well as international level (also known as Birmingham of the East). Methodology followed in the present study is predominantly a descriptive one with an intensive investigation and careful analysis. Along with secondary sources, data of the present paper have been collected through primary survey (January 2014 to September 2014) among 34 registered (DIC, Howrah, 2008-2009 to 2011-2012) urban light engineering MSEs¹⁵ containing 52 women and 9 men owners. Primary survey has been conducted in the urban areas of Howrah, clustered in Beneras Road, Belilious Road, Panchanantala, Malipanchgara, Shealdanga, and Kamardanga. The units (34) have been selected randomly through simple random sampling method from 50 women-owned sole proprietorship (SP) and non-SP [partnership (pt.) and private limited companies (pvt.)]¹⁶ within which both the units, taking and not taking financial assistance from CBs have been detected. The contributories of women economic empowerment could be detected with reference to different research studies (Malhotra *et al.*, 2012).

The samples have been visited personally and information has been collected through interview and questionnaire. In the questionnaire, the women-owners of the surveyed sample units¹⁷ were asked to specify the degree of contribution of the contributory elements of economic empowerment (Fig. 1) in empowering the women owners. In this context, to specify this, a 5 point rating scale (1 = not contributory at all, 2 = not very contributory, 3 = somewhat contributory, 4 = contributory, and 5 = highly contributory) has been used.

Therefore, to have concrete response of the surveyed samples, the 5 point rating scale has been summarised in to three categories - (i) not contributory (1), (ii) not fully contributory {not very contributory (2) +somewhat

contributory (3)}, and (iii) fully contributory {contributory (4) + highly contributory (5)}.

The effect of the contributories of economic empowerment was judged on the basis of majority responses (51 per cent) of the women owners (52) of concerned units (34) in fully contributory category {contributory (4) + highly contributory (5)}. Data obtained through primary survey have been tabulated and analysed using non-parametric Chi-Square (χ^2) test (Snedecor and Irwin Formula) to ascertain the degree of association between the contributory elements of economic empowerment with the financial assistance of CBs to the surveyed sample units.

The formula used in the present study is as follows.

$$\chi^2 = T^2 / T_A T_B [\{ \sum (a_i^2 / T_i) - T_A^2 / T \}] \{ \text{Goulden, (Second Ed.)} \}$$

Here, T = Total surveyed sample units, T_A = Total of Group A, T_B = Total of Group B, T_i = Total number of sample units in specific rank, a_i/T_i = Number of surveyed sample units in the specific ranking / corresponding total number of sample units.

This formula has been used to test the hypothesis for degree of freedom (d.f.) 3 i.e. (no. of rows – 1).

Analysis

- **Ownership patterns of the surveyed sample units:** In the surveyed sample units, women-ownership has been connected with SP (61.76 percent) and non-SP (38.24 percent) [14.71 percent pt. and 23.53 percent pvt.]. In women-owned surveyed sample non-SP units, both 'women with women' and 'women with men' gender combinations have been found. In the surveyed sample units, more than 85 per cent of the total owners have been detected as women [SP 34.43 percent, non-SP 50.82 percent (pt. 21.31 percent, pvt. 29.51 percent)]. Among the concerned units, 61.76 percent units (62.30 percent owners) have taken CBs financial assistance, while 38.23 percent units (37.70 percent owners) have not taken the said assistance from the source (Table 1).

¹⁵ Units were taken as the surveyed sample ones. Women-owned Engineering MSEs were found mainly in urban areas. So to get information conveniently, the areas have been chosen.

¹⁶ No women-owned unit of the surveyed area was found in the nature of enterprises other than SP, Pt. and Pvt.

¹⁷ Here, the term 'surveyed sample units' means surveyed sample women-owned Micro and Small engineering units.

Table 1: Ownership Patterns and Commercial Banks Financial Assistance to Surveyed Sample Units

Financial Assistance from Commercial Banks (no. of units)	Units having Women Ownership (number of Unit) Total			Gender Combination in Ownership of Women-owned Units (Number of Owner)			
	SP (Number of Owner) (Only Women Owner)			Non SP (Number of Owner)			
	SP	Non SP		Women with Women		Women with Men	
		Women with Women	Women with Men	Women with Women	Women with Men		
Units taking Financial Assistance from Commercial Banks	13	3	5	13	9	16 (11 W, 5 M)	21 Units (38 Owners–33 W, 5 M)
Units not taking Financial Assistance from Commercial Banks	8	2	3	8	4	11 (7W, 4 M)	13 Units (23 Owners–19W, 4 M)
Total	21	5	8	21	13	27 (18 W, 9 M)	34 units (61 owners - 52 W, 9 M)

Source: Primary Survey (January 2014 – September 2014)

SP = Sole Proprietorship, Non-SP means Partnership and Private Limited Company, W = Women, M = Men

- Household and Community contributory elements in economic empowerment of the women-owners of the surveyed sample units:** Under Household area of women economic empowerment, three contributory elements - Women Control over Income, Contribution to Family Support and Access and Control of Family Resource, have been considered as significant ones¹⁸. The first two contributory elements - Women Control over Income (36 women-owners i.e. 69.23 percent) and Contribution to Family Support (37 women-owners i.e. 71.15 percent) have been detected as significant by both of the groups of unit with/without CBs financial assistance. In other significant contributory elements, Access and Control of Family Resource, only the women-owners of the units with CBs financial as-

sistance have considered the same as significant one (18 women-owners i.e. 54.55 percent) (Table 2).

Under community area of women economic empowerment, three contributory elements - Women Access to Employment, Access to Market and Access to Credit have been considered as significant ones. In the first two elements, Women Access to Employment (35 sample women-owners i.e. 67.31 percent) and Access to Market [33 sample women-owners i.e. 63.46 percent) have been detected as the significant contributories by both of the units with and without CBs financial assistance. In other significant contributory elements, Access to Credit, only the women-owners of the units with CBs financial assistance have considered the same as significant one (24 women-owners i.e. 72.72 percent) (Table 3).

¹⁸ Majority responses (i.e. at least 51 percent) of all the women-owners of the surveyed sample units were in fully contributory category.

Table 2: Reponses of the Women-owners of Surveyed Sample units (with/without Commercial Banks Financial Assistance) on the Household Area of Economic Empowerment

(in number)

Sample Units	Contributory Elements (CE) under Household area of Contributory Elements of Economic Empowerment	Not contributory at all (1)	Not Fully Contributory			Fully Contributory		
			2	3	Total (2+3)	4	5	Total (4+5)
With Commercial Banks financial Assistance (33 owners)	Women Control Over Income	4 (12.12%)	3 (9.09%)	3 (9.09%)	6 (18.18%)	8 (24.24%)	15 (45.45%)	23 (69.70%)
	Contribution to Family Support	3 (9.09%)	2 (6.06%)	3 (9.09%)	5 (15.15%)	12 (36.36%)	13 (39.39%)	25 (75.76%)
	Access and Control of Family Resource	9 (27.27%)	2 (6.06%)	4 (12.12%)	6 (18.18%)	12 (36.36%)	6 (18.18%)	18 (54.55%)
Without Commercial Banks financial Assistance owners)	Women Control Over Income	2 (10.53%)	2 (10.53%)	2 (10.53%)	4 (21.05%)	5 (26.32%)	8 (42.11%)	13 (68.42%)
	Contribution to Family Support	2 (10.53%)	3 (15.79%)	2 (10.53%)	5 (26.32%)	3 (15.79%)	9 (47.37%)	12 (63.16%)
	Access and Control of Family Resource	6 (31.58%)	3 (15.79%)	1 (5.26%)	4 (21.05%)	3 (15.79%)	6 (31.58%)	9 (47.37%)

Source: Primary Survey (January 2014 – September 2014)

Note: Figures in parenthesis specify the percentage of responding samples of the respective groups responded in favour of the particular contributory of economic empowerment in the point of 5 point rating scale i.e. for Group A and Group B, the number of women-owners stood for 33 and 19 respectively.

Contributory elements here have been adapted from the study of Malhotra *et al.* (2002)**Table 3: Reponses of the Women-owners of Surveyed Sample Units (with/without Commercial Banks Financial Assistance) on the Community Area of Economic Empowerment**

(in number)

Sample Units	Contributory Elements (CE) under Household area of Contributory Elements of Economic Empowerment	Not contributory at all (1)	Not Fully Contributory			Fully Contributory		
			2	3	Total (2+3)	4	5	Total (4+5)
With Commercial Banks financial Assistance (33 owners)	Women Access to Employment	4 (12.12%)	3 (9.09%)	3 (9.09%)	6 (18.18%)	8 (24.24%)	15 (45.45%)	23 (69.70%)
	Ownership of Assets and Land	5 (15.15%)	2 (6.06%)	4 (12.12%)	20 (60.61%)	6 (18.18%)	2 (6.06%)	8 (24.24%)
	Access to Credit	3 (9.09%)	2 (6.06%)	4 (12.12%)	6 (18.18%)	12 (36.36%)	12 (36.36%)	24 (72.73%)
	Access to Market	2 (6.06%)	6 (18.18%)	4 (12.12%)	10 (30.30%)	9 (27.27%)	12 (36.36%)	21 (63.64%)
	Involvement and/or representation in Local Market	5 (15.15%)	2 (6.06%)	4 (12.12%)	20 (60.61%)	6 (18.18%)	2 (6.06%)	8 (24.24%)

Sample Units	Contributory Elements (CE) under Household area of Contributory Elements of Economic Empowerment	Not contributory at all (1)	Not Fully Contributory			Fully Contributory		
			2	3	Total (2+3)	4	5	Total (4+5)
Without Commercial Banks financial Assistance (19 owners)	Women Access to Employment	2 (10.53%)	3 (15.79%)	2 (10.53%)	5 (26.32%)	3 (15.79%)	9 (47.37%)	12 (63.16%)
	Ownership of Assets and Land	5 (26.32%)	2 (10.53%)	4 (21.05%)	6 (31.58%)	6 (31.58%)	2 (10.53%)	8 (42.11%)
	Access to Credit	1 (0.05%)	2 (10.53%)	7 (36.84%)	9 (47.37%)	5 (26.32%)	4 (21.05%)	9 (47.36%)
	Access to Market	2 (10.53%)	3 (15.79%)	2 (10.53%)	5 (26.32%)	3 (15.79%)	9 (47.37%)	12 (63.16%)
	Involvement and/or representation in Local Market	6 (31.58%)	2 (10.53%)	4 (21.05%)	6 (31.58%)	5 (26.32%)	2 (10.53%)	7 (36.84%)

Source: Primary Survey (January 2014-September 2014)

Note: Figures in parenthesis specify the percentage of responding samples of the respective groups responded in favour of the particular contributory of economic empowerment in the point of 5 point rating scale i.e. for Group A and Group B, the number of women-owners stood for 33 and 19 respectively.

Contributory elements here have been adapted from the study of Malhotra et al. (2002)

The study would be continued into two phases with the significant contributories under two groups – Household and Community. In the first phase, a dimension - Financial Assistance from the CBs, into two groups – Group A -Women-owned units with CBs financial assistance and Group B – Women-owned units without CBs financial assistance, has been framed. After detecting the respective association, analysis would be continued on the basis of the sub-dimension –Gender combinations in Ownership of the Women-Owned Units with CBs financial assistance which has been divided into two sub-groups – Women in Ownership solely or with Women (SG_A) and Women in Ownership with Men (SG_B) to detect the degree of association between the contributory elements of economic empowerment with the gender combination (men and/or women) in the ownership of the women-owned units taking financial assistance from CBs (Fig. 1).

Hypotheses Framing and Testing

Hypotheses Based on Dimension

H₀₁: There is no significant association between the CBs Financial Assistance and the degree of contribution of the contributory elements under ‘Household’ area of women

economic empowerment in empowering the women owners of women-owned engineering MSEs.

H₀₂: There is no significant association between the CBs Financial Assistance and the degree of contribution of the contributory elements under ‘Community’ area of women economic empowerment in empowering the women owners of women-owned engineering MSEs.

It may be mentioned in this context that, the responses of the concerned responding samples to 2 point to 5 point of the rating scale (i.e., not very contributory, somewhat contributory, contributory and highly contributory) have been considered ignoring the responses to point 1 (not contributory at all) since it indicates the number of respondents not pointing out any of the contributing elements as significant one.

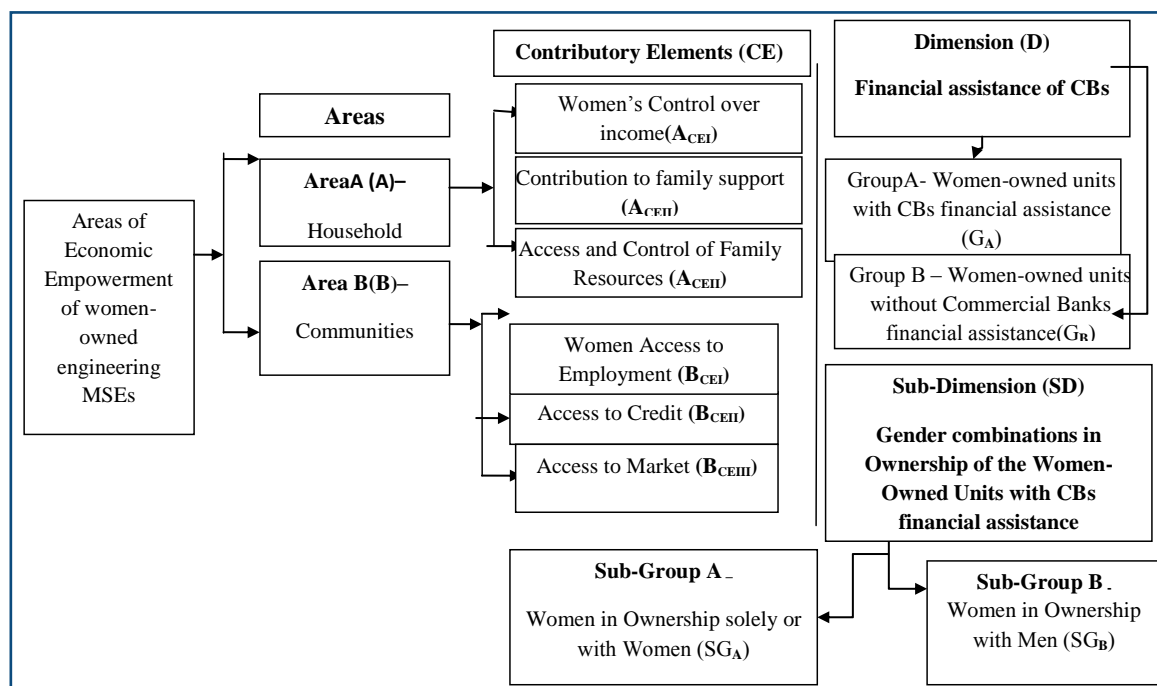
As per the results of hypotheses testing on Dimension (Table 4), H_0 has been rejected only for the first two contributory elements under the area ‘Community’ i.e. Access to Credit and Access to Market. Therefore, further analysis has been continued on the basis of these two contributory elements for which the women-owners of Group A have been found to make responses in the fully contributory categories more than the other group of women-owners. Now, further analysis may be continued on the basis of the sub-dimension divided into two sub-groups (Fig.1).

Table 4: Results of Hypotheses Testing (H_{01} , H_{02})

Areas	Contributories	Not Fully Contributory (%)						Fully Contributory (%)						Results of χ^2	Comment*
		(G_A)			(G_B)			(G_A)			(G_B)				
		2	3	Total	2	3	Total	4	5	Total	4	5	Total		
Household (A)	Women’s Control over income (A_{CEI})	5.77	5.77	11.54	3.85	3.85	7.69	15.38	28.85	44.23	9.62	15.38	25.00	0.17	A (5%)
	Contribution to family support (A_{CEII})	3.85	5.77	9.62	5.77	3.85	9.61	23.08	25.00	48.08	5.77	17.31	23.08	3.16	A (5%)
	Access and Control of Family Resource (A_{CEIII})	3.85	7.69	11.54	5.77	1.92	7.69	23.08	11.54	34.62	5.77	11.541	17.31	4.52	A (5%)
Community (B)	Women Access to Employment (B_{CEI})	5.77	5.77	11.54	5.77	3.85	9.62	15.38	28.85	44.23	5.77	17.31	23.08	0.90	A (5%)
	Access to Credit (B_{CEII})	3.85	7.69	11.54	3.85	13.46	17.31	23.08	23.08	46.15	9.62	7.69	17.31	12.50	R (1%)
	Access to market (B_{CEIII})	11.54	7.69	19.23	5.77	3.85	9.62	17.31	23.08	40.38	5.77	3.85	23.08	24.43	R (1%)

P value for 3 d.f. at 5 percentage level of significance is 7.81 and at 1 percentage level of significance is 11.34. The figure in parenthesis of Comment column shows the level of significance at which the hypothesis is accepted or rejected. G_A = Women Ownership in Sole Proprietorship, G_B = Women Ownership Other than Sole Proprietorship Here, the percentage of units has been calculated on the total number of responding samples women-owners (52) in fully and not fully responsible categories, omitting the point 1, as it is not significant at all as contributory.

Fig. 1: Contributories of Economic Empowerment of Women-owned Engineering MSEs and Dimension with Sub-Dimension of the Study



Hypotheses based on Sub-Dimension

H_{0a}: There is no significant association between Gender combinations in Ownership of the Women-Owned Units with CBs financial assistance and the degree of contribution of Access to Credit in empowering the women owners of women-owned units with CBs financial assistance.

H_{0b}: There is no significant association between Gender combinations in Ownership of the Women-Owned Units

with CBs financial assistance and the degree of contribution of Access to Market in empowering the women-owners of women-owned units with CBs financial assistance.

As per the result of hypotheses testing on sub-dimension (Table 6), the null hypothesis is rejected for Access to Credit (H_{0a}). The response patterns of the women owners of women-owned units with CBs financial assistance (Table 5) here reflected the fact that the women owners of sub-group A have responded in fully contributory category lower than the other group of women-owners.

Table 5: Responses of the Surveyed Sample Women-owners with CBs Financial Assistance on the ‘Access to Credit’ and ‘Access to Market’ (in number)

Sample Units	Contributory Elements (CE) under Household area of Contributory Elements of Economic Empowerment	Not contributory at all (1)	Not Fully Contributory			Fully Contributory		
			2	3	Total (2+3)	4	5	Total (4+5)
Women in Ownership Solely with Women (22 owners)	Access to Credit	3 (13.64%)	2 (9.09%)	2 (9.09%)	4 (18.18%)	5 (22.73%)	10 (45.45%)	15 (68.18%)
	Access to Market	1 (4.55%)	4 (18.18%)	2 (9.09%)	6 (27.27%)	7 (31.82%)	8 (36.36%)	15 (68.18%)
Women in Ownership with Men (11 owners)	Access to Credit	0 (9.09%)	0	2 (18.18%)	2 (18.18%)	7 (63.64%)	2 (18.18%)	9 (81.82%)
	Access to Market	1 (9.09%)	2 (18.18%)	2 (18.18%)	4 (36.36%)	2 (18.18%)	4 (36.36%)	6 (54.55%)

Source: Primary Survey (January 2014 – September 2014)

Note: Figures in parenthesis specify the percentage of responding samples of the respective sub-groups responded in favour of the particular contributory of economic empowerment in the point of 5 point rating scale i.e. for Sub-Group A and Sub-Group B, the number of women-owners stood for 22 and 11 respectively. Contributory elements here have been adapted from the study of Malhotra et al. (2002)

Table 6: Results of Hypotheses Testing (H_{0a}, H_{0b})

Areas	Contributories	Not Fully Contributory (%)						Fully Contributory (%)						Result of χ^2	Comment
		(SG _A)			(SG _B)			(SG _A)			(SG _B)				
		2	3	Total	2	3	Total	4	5	Total	4	5	Total		
Community	Access to Credit (B _{CEII})	6.06	6.06	12.12	0	6.06	6.06	15.15	30.30	45.45	21.21	6.06	27.27	18.90	R (1%)
	Access to market (B _{CEIII})	12.12	6.06	18.18	6.06	6.06	12.12	21.21	24.24	45.45	6.06	12.12	18.18	0.98	A (5%)

P value for 3 d.f. at 5 percentage level of significance is 7.81 and at 1 percentage level of significance is 11.34. The figure in parenthesis of Comment column shows the level of significance at which the hypothesis is accepted or rejected.

SG_A = Women Ownership in Sole Proprietorship, SG_B = Women Ownership Other than Sole Proprietorship

Here, the percentage of units has been calculated on the total number of responding samples women-owners with Commercial Banks financial assistance (33 units) in fully and not fully responsible categories, omitting the point 1, as it is not significant at all as contributory.

Findings and Interpretations

Dimension (D) – Financial Assistance of Commercial Banks

The women owners of Group-A have made their responses in favour of 'Access to Credit' in making their economic empowerment more than the other group of women-owner. Group-B might not have any faith on credit finance, related mainly with CBs, preserving an idea that CBs would not want to grant need based financial assistance to them and on that belief they might collect their own finance or other sources of finance for their operations. In access to market, i.e., the way to reach the distribution channel, middlemen, advertisement etc., the women-owners of Group –B might not reach the market satisfactorily probably due to lack of skills, market ability of product and also for paucity of need-based finance which might be met through CBs financial assistance. In this context, the women-owners of Group – A here also have suffered due to lack of skills and marketability of their product for which in spite of CBs financial support, they have made their response in favour of the contributory element (Access to Market) in fully contributory rank, slightly more than the women-owners of Group – B.

Sub-Dimension (SD) – Gender Combinations in Ownership of the Women-Owned Units with CBs Financial Assistance

The women-owners operated with their men counter parts that is the women owners with men (SG_B) has made more favourable response for the access to credit, mainly from CBs, than that of the women-owners of SG_A . The women-owners of SG_A here might be considered as less credit-worthy due to non-interference of men counterparts in the ownership of the same or in other words, it could be detected that the assistance and participation of men-owners in the ownership of women-owned units along-with the women-owners might make the said units more creditworthy and CBs easily sanctioned their assistance considering smooth payment and repayment of interest and principal amount. The women-owners of SG_A might not be able to collect credit from debtors or sale product in market promptly due to their lack of physical effort and perseverance. All these resultantly would present their lack of creditworthiness in front of CBs for which the women-owners of said sub-group might miss adequate

CBs financial assistance. Moreover, the women-owners of SG_A might not have the potentiality to estimate their financial requirement or they might not have the capacity to handle the official papers to get credit finance from CBs.

Limitations of the Present Study

The limitations of the present study are mentioned as below:

Only registered and urban women-owned MSEs have been selected for primary survey, keeping in mind the time and resource constraints.

Information necessary for the study have been collected administering questionnaire among the women entrepreneurs of the sample units. The authenticity of such information cannot be verified due to non-availability of any written documents relating to such information.

Conclusion and Recommendations

As per the present study, though the women-owned engineering MSEs of Howrah, to some extent, are economically empowered through CBs financial assistance, the degree varies significantly on the basis of the gender combination in the ownership i.e. 'women in ownership solely or with women' and 'women in ownership with men'. The women-owners do not even know the varied financial sources except CBs from where they can easily avail of their required fund. They cannot forecast their financial requirement for which prompt approach to financial institutions may not be possible for them. Moreover, the units cannot maintain the papers required to get credit from the financial institutions. CBs, in this context, from the commercial perspective, may not be interested to grant loan finance to solely women-owned units, as they consider the women-owned units as less credit worthy ones. All these make the flavour of women empowerment in the respective units in economical ground partial and may prove the fact that women in engineering MSEs without getting participation of men in ownership may not be able to get adequate financial assistance from CBs and thus may suffer due to various difficulties. Now to promote full form of economic empowerment through CBs financial assistance, the connected parties may adopt the following steps.

CBs may (i) introduce special venture capital financing and factoring service to women-owned units, (ii) build up a strict monitoring cell to look forward the performance in credit financing to the respective group of owners and setup a grievance redress cell in connection therewith and incidental thereto, (iii) train the women owners in maintaining records efficiently to get loan/ advance and also help them to assess the financial requirement, (iv) organise seminars, workshops for the women entrepreneurs to make them know about the different schemes launched for them, (v) publish special bulletin on the source of finance and terms and conditions on these.

The Women Owners should (i) be aware of the maintenance of required papers while taking loan finance from CBs, (ii) ascertain the need-based financial scale in time before getting loan assistance from CBs.

Therefore, it is the responsibility of all the associated parties of women-owned engineering MSEs of Howrah to empower the associated women to the fullest extent which finally establish its step strongly in the field of men dominated engineering world and thus welcome firmly socio-financial inclusion of economically excluded gender of our society, women.

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