

# A Study on Challenges & Opportunities for Rural Women Entrepreneurs in India

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## ABSTRACT

65% of Indian population is living in the rural areas, out of which women population constitute around half of this general population, therefore it is necessary to develop rural population, so as to improve the Socio-economic condition of the country. Women are always considered as Physically and mentally weak and treated as a weaker section of the society, who are dependent on males. As a result it is believed that they are not acceptable for Lethal and risky jobs, but now the time has changed, nowadays more women stated showing curiosity and concern in owning the small business in order to become Financially as well socially independent. As a result numbers of women started their business and have been a successful entrepreneur, but still the amount of women contribution in the world of Business is very little. The reason behind this is the fact that in India women especially rural women has to face lots of Social as well as Cultural Boundaries, Moreover there are plenty of Challenges that a women needs to face in order to raise as a Successful Entrepreneurs like –No access to proper Information on Market, Finance, Technology, Unfavourable Regulation and Policies, No linkage with the Supporting Agencies and so on. Although many arrangements and programmes has been made up by the government of India along with the ministry of rural development to provide them an opportunity to become self-reliant, self-dependent as well as self-employed, but still the urgent need of the country is to provide a favourable environment to the women entrepreneurs because of the fact that they need ability building and training of the functional areas such as finance, literacy skills, marketing, production and managerial skills, which will definitely encourage them to participate in the growth and development of the nation.

**KEYWORD:** *Entrepreneurship, Rural women, Challenges, Opportunities*

## INTRODUCTION

### ENTREPRENEURS:

The word Entrepreneur is taken from the French term “entreprendre”, which exactly means, to undertake“- shows the minimum features of an Entrepreneur. Typically an Entrepreneur stands as a person who manages and Systematizes any Enterprise and in this process it assumes all kinds of risks or rewards associated with the business enterprise, Idea, Good or Service which is offered for sale. The first person to announce the term, “entrepreneur was Richard Cantillon, an Irish man living in France. He describe

an entrepreneur as “an agent who buys means of production at certain prices in order to combine them into a product that he is going to sell at prices that are uncertain at the moment at which he commits himself to his costs”. (1951).

Thus Entrepreneur is that person who acts like a Business forerunner and Innovator who brings new Processes, Products, or Concepts in the Market/Business.

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From an economic functions perspective there are three essential characteristics of an entrepreneur:

Entrepreneur is a risk Bearer.

Entrepreneur is an innovator.

And Entrepreneur is an Organiser.

An entrepreneur, according to Knight, is the Economic official who Assumes responsibility of uncertainty.

In terms of Schumpeter (1959) idea of "Entrepreneurship is based on purposeful and systematic innovation. It includes independent businessman as well as company directors and managers who actually carry out innovative functions". Jean-Baptiste Say defined the concept of entrepreneur as "one who combines the land of one, the Employment of another, and the Wealth of yet another in order to produce a product, thereby the entrepreneurial functions are associated with the Organisation, Coordination and Supervision.

### **WOMEN ENTREPRENEURS:**

The entry of females in business is a recent phenomenon; with the emergent cognizance and spread of education women have started captivating to modern activities like, electronics, engineering and energy commonly known as 3E,s which is different to their conventional kitchen activities of three P,s i.e Pickles, Powder(masala),and Papad Business.

Women entrepreneurs are those womenfolk who plan of a commercial venture, start it, Arrange and organise all the factors of manufacture, in order to run the enterprise by undertaking risks as well as uncertainties came in the way of managing the business enterprises. The Government of India has given a definition of Women Entrepreneurs on the basis of women participation in equity by way of "an enterprise owned and controlled by a women having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of employment generated in the enterprise to women".

Medha Dubhashi defined the idea of women entrepreneurs as an individual who is an Innovative Individual with an eye on the available opportunities and an uncanny vision, viable acumen with tremendous determination and above all, he is a person who is willing to take risks with the anonymous, because of the adventurous essence she possesses.

### **RURAL WOMEN ENTREPRENEURS:**

Rural Women Entrepreneurs are describe as those entrepreneurs who really reside in rural areas and assemble human resources necessities from those

areas in which they live. A rural women entrepreneur is a female or group of womenfolk who undertake to arrange and run an enterprise in a rural zone. 65% of Indian population is living in the rural areas, out of which women population constitute around half of this general population, therefore it is necessary to develop rural population, so as to advance the Socio-economic condition of a country. Earlier it was supposed that women are Physically and emotionally weak as a result they were treated as a weaker section of the society, who is always dependent on males, It is believed that they are not fit for Risky and hazardous jobs, nevertheless now the time has changed, now a day's more and more women stated displaying curiosity and importance to owning a small business in order to became Financially as well socially independent. Therefore rural women are turning towards the Entrepreneurial activities, infact there is no profession or job or an Enterprise where women is not working, which is paradoxical to their traditional abla image.

Initially Women Entrepreneur is developed only in urban areas in 1970,s but currently it has comprehensive to rural as well as Semi-Urban areas.

Previously rural women entrepreneur is concentrated to traditional functions but with the increase of education level and Favourable government policies, the mind-set of women entrepreneurs has been changed and they shifted their activities from Traditional to Non-traditional. Government as well as Non-government Organisations also going ahead to focus on the Empowerment of Rural women in India, by providing Financial Assistance, Training & Guidance with the view to provide help to them so that they can set up their Enterprise, with an Attempt to encourage and develop Self Employment among rural ladies.

As an outcome number of women started their business and have been a successful entrepreneur, dealing in different activities, but still the amount of women involvement in the world of Business is very little. The reason behind this is the fact that in India women especially rural women has to face lots of Social as well as Cultural Boundaries, Moreover there are plenty of Challenges that a women needs to face in order to raise as a Successful Entrepreneurs like – No access to proper Information on Market, Finance, Technology, Unfavourable Regulation and Policies, No linkage with the Supporting Agencies and so on. So there is an urgent requirement to study what are the challenges and what are the opportunities that a rural women need to face while performing his Entrepreneurial Activity.

## LITERATURE REVIEW:

**P.Jayakumar & J.Kannan (2014)** performed a study on “**Challenges and Opportunities for rural women entrepreneurship**” in order to identify the various challenges that are being faced by the rural ladies entrepreneurs, accordingly the main challenges in front of rural businesspersons are the conflict between family and business, illiteracy, financial crisis, lack of leadership qualities, lack of information, assistance and training, movement constraints, lack of Groundwork, higher level of exploitation and the male domination in the culture. As a result of these problems and challenges among rural women entrepreneurs their work become very difficult as well as discourages.

**Rakesh Kumar Gautam, Dr. K. Mishra(2016)** discussed the problems and difficulties faced by women entrepreneurs in rural areas of India, in the paper entitled “**Study on rural women entrepreneurship in India: Issues and Challenges**” so as to focus the situation of women entrepreneurship in countryside areas of India. The result of the research revealed that the lack of equilibrium between family and career responsibilities of women, lack of straight ownership of the property, deprived degree of financial autonomy for rural women, the absence of entrepreneurial skills and finance in economically rich and poor women, inattention by financial institutions, dearth of self-confidence, lack of confident agenda of life, lack of learning, no awareness about capabilities, low risk bearing capacity, lack of self-confidence, problems to work with male employees, flexibility restrictions and lack of interaction With popular women rural entrepreneurs are major difficulties of Rural Women Entrepreneurship progress in India.

**Pharm, and Sritharan, (2013)** The study highlights various problems that are actuality faced by female entrepreneurs in rural regions, the outcome of this research shows that most of the women entrepreneurs were graded with the absence of strong management because their management quality was not as worthy as required for becoming a prosperous entrepreneur.. on Second rank was financial inefficiency and third rank was absence of organized development, No

Consciousness about Government scheme, No repayment of loan by the participants, Absence of education and other issues.

**Dr. Anita Mehta and Dr. Mukund Chandra Mehta (2011)** the authors of the paper entitled “ **Rural women Entrepreneurship in India: Opportunities and Challenges**, bring out a fact that Rural ladies are illiterate as a result they are not aware about handling

legal and other formalities involved in taking loan as well as for establishing an Industrial Unit. The other issues faced by them are lack of confidence to run the entrepreneurship. So there is a need for capacity construction and training in functional areas such as finance, learning skills, marketing, manufacture and decision-making skills

## OBJECTIVES OF THE STUDY

- To study various challenges that are confronted by rural female Entrepreneurs in India.
- To Explore the Opportunities for Rural female Entrepreneurs
- To highlight the effective provisions provided by the government for the Women entrepreneurship.

## METHODOLOGY:

This paper attempts to explore various Challenges and Opportunities that rural women faeces in the course of entrepreneurship, this is an Investigative Research where earlier studies on subject matter have been redressed so as to provide new insight to the phenomenon.

## FINDINGS & DISCUSSION

### CHALLENGES, ISSUES AND PROBLEMS OF RURAL WOMEN ENTREPRENURS:

The main challenges faced by rural womenfolk who are Entrepreneurs in conduct of business are related to their educational experience, time stability between work and family, problem related to raising of initial Capital, Problem of availing raw material and so on due to these challenges Rural women entrepreneur’s performance is not as much enlightened as anticipated. In addition to this many other challenges faced by rural entrepreneurs are as follows-

1. **Personal life and career life balance:** Indian women are emotionally connected to her family as a result they are busy on daily basis for hours in order to do all types of domestic work, they need to look after kids as well as other family fellows, they are excepted to have family accountabilities towards their husband, children or other members of the family. These responsibilities take away most of their time as well as energy, thereby preventing them to undertake their role as an entrepreneur. As a matter of fact it will be very challenging for a woman to maintain a proper balance between their family life and business activity, in order to prove themselves a successful business woman.
2. **Lack of education:** One of the principal challenges in front of rural female who works as an entrepreneurs is Illiteracy, Even in 21st century, In India countryside women are still lagging behindhand in the field of education. Most of the rural women are uneducated as compared to

males; the cause for this is poverty, marriage, and their lower socioeconomic status, somewhat due to son's advanced education. As a result these uneducated or less educated women entrepreneurs face lots of difficulties in setting up of new enterprise, adopting the new Technology, new marketing trend, and new manufacturing method and in understanding government schemes which will empower them.

3. **Male Dominated culture:** Indian constitution provides equal rights to men and women however in reality fairness does not exist in rural areas. Women are not preserved equal to men. People in rural areas usually having chauvinism those females are meant merely for the domestic duties and not for education and job. Women access to business world requires an authorization by the head of the family. Entrepreneurship is understood as a male work which cannot suit females. This type of environment creates an obstacle in the progress of women entrepreneurs and became challenges for rural women starting or undertaking business.
4. **Problem of fund shortage:** Rural women entrepreneurs ought to face many difficulties in order to raise capitals for their monetary needs in the course of the business. The reason behind this financial issue is that women and small entrepreneurs are ignored by financiers, creditors and financial institutes on the basis of less credibility and more chance of business failure or belief that they will leave their business. They face this problem because they do not have any property or security on their own name. As a consequence they are enforced to be dependent on their personal savings or loan from family or contacts. United Nations Industrial Development Organization (UNIDO) document (1995), revealed that in spite of the evidence that the rate of women loan refund are greater than men's, women faces lots of difficulties in procurement of credit due to the unfair attitudes of banks and informal advancing groups towards male and female.
5. **Low Risk bearing capacity:** In India, women are generally considered as subtle and emotional by personality as a result it is believed that women have comparatively low capacity than men to bear financial as well as other risks the reason behind this is that women always led a secure and protected life dependent on males of the family either economically or socially. On the contrary an entrepreneur is one who has risk bearing capacity and women, seldom fail to bear the

quantity of risk which is needed for conducting a business. There are lots of reasons behind lower ability to handle risk involved in an enterprise like No appropriate education, teaching and financial provision by outsiders.

6. **Lack of Technological Knowhow:** Countryside entrepreneurs face a severe issue of absence of awareness about technology and innovation. Nonexistence of training programmes about the use of modern technology creates a trouble for the growth of rural women entrepreneurship.
7. **Mobility Constraints:** Indian Society has got lots of restriction on the mobility of rural women. The occupation of women is restricted in four walls of kitchen. The females restricted themselves to three KS-Kitchen, kids & knitting. There are barely find any opportunities to cross this borderline (Manimakalai & Rajeshwais 2000). But this movement issue has been somehow resolved to some degree by the surge of Information know-how & telecommunication amenities.
8. **Lack of entrepreneurial Skills:** Deficiency of entrepreneurial skill is another major trial for rural women entrepreneur is their lack of entrepreneurial skills. They have no entrepreneurial focused mind-set. Occasionally even after joining numerous entrepreneurship training programs, rural women entrepreneurs failed to face jeopardies and difficulties that will come up in the functioning of an Organization.

#### **OPPORTUNITIES FOR RURAL WOMEN ENTREPRENEURS:**

It is evident that if females are encouraged and promoted by giving necessary help and support will evolve as a successful entrepreneur, keeping this in view both central as well as state governments has drafted variety of schemes and grades which will give better opportunities to rural women for proving themselves as a successful entrepreneur, despite of all the challenges and problems they face in the course of their business activity. On 1<sup>st</sup> April 1999 Indian Government as initiated a programme for the alleviation of poverty through self-employment under the name "Swarnaayanthi gram swarozgar Yojana".

Under this scheme self help groups are established based on the aptitude and skills of the people, so as to earn maximum potential. The funding of self help groups (SHG,s) is being provided by NGO,s, Banks, Financial Institutions. These SHG,s have given a new life to the rural women by providing them communal as well as economic empowerment.

Following are the other programmes that are being started for the development of rural women entrepreneurs:

Crashed Scheme for Rural Development

Food for Work Programme

National Rural Employment Programme

Regional Rural Development Centres

Entrepreneurship Development institute of India

Bank of Technology

Rural Innovation Funding

Social Rural Entrepreneurship

Integrated Rural Development Programme and its Allied Programme

- TRYSEM (Training Rural Youth for Self Employment)
- DWCRA (Development of women and Children in Rural Areas)

JRY (Jawahar Rozgar Yojna)

Support and training and employment programme for women (STEP).

### MAJOR STEPS TAKEN BY THE GOVERNMENT TO PROMOTE RURAL WOMEN ENTREPRENEURS IN INDIA:

Women Empowerment is the major concern of Indian government keeping in view their contribution in the economic development of the nation. As a result Indian government both at the central and State level have been actively participating in providing enough opportunities to women so as to make them self-employed and financially independent, all they need is the proper sources of Education, Training and Inspiration.

Following are the few steps taken by the Indian government so as to ensure that women are properly educated, informed and Trained about the Entrepreneurial activities.

- **TREAD:** Trade related Entrepreneurship Assistance and Development programme for women is a arrangement which provide all the trade related information, Training and counselling to women Entrepreneurs in India specially to poor and illiterate /semi-literate women who are going to start business, In addition to this the scheme also make arrangement for proving grant from government up to 30% of total cost of a Project, while make arrangement of remaining amount of 70% as a finance by Lending institutions in the form of Loan.

- **Co-Operative Schemes:** Under this scheme the Rural women Engaged in Agro-based Industries like Poultry, Dairy farming, Animal Husbandry, Horticulture etc will be given full financial support from the government.

- **Mahila Vikas Nidhi:** SIDBI has set up a fund in order to help rural women who wanted to start their own business. This Programme grant loan to rural women so that they can start they venture in felids like Knitting, Embroidery, block printing, handicrafts, Handlooms, Spinning etc.

- **Private organisations:** Many NGO,s,Support groups and voluntary enterprises both from urban and rural areas of India are working with a aim to provide help to all new rural women entrepreneurs in setting up their units as well as to run them effortlessly

- **Government programmes:** Indian government has started two very major programmes with a view of providing reservation and encouragement to the women in order to start their business in India, these schemes are: Swarna Jayanti Gram Swarozgar Yojana and Swarna Jayanti Sekhari Rozgae yojna.

- **Training Programmes:** Government of India has stated few training programmes for the self-employment of rural women in India these are STEP, DWCRA, SISI, s, State financial Corporations, National Small Industries Corporations etc.

### SUGGESTIONS & RECOMMENDATIONS:

Following efforts can be taken in order to improve the condition as well as to encourage women entrepreneurship in India.

- Government should provide better Facilities for Educating Illiterate women folk who are either running their venture of who wants to start a new one.
- Management and Entrepreneurial skills should be inculcated in the women Entrepreneurs by Initiating Training and development programmes.
- The government should provide Assistance and Training to rural women entrepreneurs for marketing and selling of their products.
- Government should make provision of crèche or day nursery care for the kids and children of women entrepreneurs.
- Micro credit should be provided to rural women entrepreneurs at local level with ease, they should be given interest free loans to women so as to encourage them.

- A guidance cell needed to be set up by the government with the view to handle the challenges or Problems that a women entrepreneur faces in the course of running business.

#### CONCLUSION:

Rural females are not so aware and well-educated so as to face plenty of challenges that came in the way of running their enterprise. The major challenges of rural women entrepreneurs are - conflict between family and business role, societal constraints, Illiteracy, lack of information, No proper technological training, lack of financial assistance and so on. As a result of these women entrepreneurs face lots of difficulties in handling the legitimate and other formalities involving in setting up of venture or in taking loan. Moreover they also lack self-confidence in their capacity to run an entrepreneurship. Although many schemes and programmes like TRYSEM (Training Rural Youth for Self Employment), DWCRA (Development of women and Children in Rural Areas), JRY (Jawahar Rozgar Yojna)

Support and training and employment programme for women (STEP).

has been established up by the government of India along with ministry of rural development to provide them an opportunity to become self-reliant, self-dependent as well as self-employed, but still the urgent need of the country is to provide a favourable environment to the women entrepreneurs because of

the fact that they need capacity building and training in the areas like finance, literacy expertise, marketing, production and executive skills, which will definitely boost them to participate in the growth and development of the country.

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