

A STUDY ON ISSUES AND CHALLENGES OF RURAL WOMEN ENTREPRENEURSHIP IN INDIA

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Abstract: *Rural women entrepreneurship has an important role to play in economic development of our country. Women were earlier considered as the weaker sections of the society and not capable of taking the entrepreneurship role. Women in these days are socially and economically empowered by developing the business on their own. The development of rural women entrepreneurship is a challenging aspect in India. Improving the position of women in society and promoting entrepreneurship will have benefits in terms of women entrepreneurship. Rural Entrepreneurship can create new economic opportunities for rural women and contribute to overall growth of the economy. This paper addresses the challenges faced by rural women entrepreneurs and explores the opportunities that prevails for the rural women entrepreneurs.*

Keywords: *Women Entrepreneurship, Rural Development, Economic opportunities.*

INTRODUCTION

In India majority of the industries are evidently seen in urban areas. But most of the population lives in villages. In order to develop the growth of economy rural entrepreneurship especially women needs to be developed. The concept of rural entrepreneurship is a dynamic concept and plays an important role in generating employment opportunity for rural societies, starting –up of their own business and improving the economic status of the rural area as well.

Rural entrepreneurship may be defined “as the enthusiastic willingness of a villager to organize his or her economics activity, whatever it may be (a business, a job, an investment etc) with the help of appropriate technology and practices conceived for a sustainable living.” Now that the rural women’s are also interested to start their own business in rural areas to overcome poverty, generate family income and developing Standard of living. Women’s are also taking active participation in the agriculture, business and trade without any social and other boundaries. Any Women who agrees to take the challenge and play the vital role to meet her individual needs and become financially independent is called women entrepreneur. The Government of India defined as “An enterprise

owned and governed by women having a minimum economic interest of 51% of the investment and giving at least 51% employment created for women in their enterprise” called women entrepreneurs. But in India, there are many social and cultural limitations for rural women. Hence, the women contribution in entrepreneurial activities is less in the social and economic growth of rural India.

OBJECTIVES OF THE STUDY

1. To analyze the reasons why rural women should become an entrepreneurs.
2. To analyze the challenges faced by rural women entrepreneurs in India.
3. To suggest measures for the development of rural women to become entrepreneurs.
4. To study the effective support of the government for rural women entrepreneurship.

REASONS FOR RURAL WOMEN BECOMING ENTREPRENEURS

1. **Freedom to work and live on their own terms:** When they start their own business they will enjoy having the liberty to make it happen on their own terms. As a business owner, they can start setting

their own hours and creating an ideal work life balance.

2. **The opportunity to build something for them:**

It is a great feeling to know that women are creating and building something that is all theirs. There is a sense of pride that women get as a business owner that they won't get anywhere else.

3. **More gender equality.** Traditionally male-dominated fields, like technology, are opening up more and more to women. Where it once was unusual to see a female CEO in certain industries, it is becoming commonplace today. Businesswomen are rising to the top in every field.

4. **Work Life Balance:** It is very beneficial to have a good work life balance. Women should balance their life and spend more time with family and friends apart from their business.

5. **Pursue a Passion:** Women are working for themselves to live out their dreams.

6. **Be their own Boss:** Being their own boss is definitely the biggest benefit of working themselves.

METHODOLOGY

The statistical data for the study have been collected from the secondary sources. Secondary data have been collected from the various publications of economic survey reports, books, journals and periodicals, published reports of RBI, NABARD, Census Surveys, SSI Reports, newspapers and literature reviews.

CHALLENGES AND PROBLEMS OF RURAL WOMEN ENTREPRENEURSHIP IN INDIA

There are a number of challenges and problems that rural women entrepreneur's faces in their business are time balancing between family and work, education and working experience, Problems of raising startup capital, suppliers, and clients etc. Moreover the literacy among women in India is comparatively low as that of the women. Most of the women in the rural areas are uneducated. The problem faced by the women entrepreneurs are problem of capital, marketing , raw material , sales, labour , technical , competition, new technology, problem of land ,shed ,water, power ,taxes, lack of family support as well as lack of government support and the like.

The problems faced by the emerging and established by the rural women entrepreneurship are as follows:

1. **Raw materials:** A major problem which the rural women entrepreneurship faces is the procurement of raw materials. Due to procurement of inadequate of raw materials, the women are not able to continue their production. More over the prices of raw materials are quite high.

2. **Problem of finance:** Finance is one of the most important problems faced by women. Women entrepreneurs have to suffer a lot in raising the finance for their business.

3. **Problem of under utilization of capacity:** Most of the entrepreneurship suffering from the problem of under utilization of capacity. They are able to produce nearly 40 to 50 percent of the production due to various reasons such as shortage of finance, raw-materials, power and under-developed markets for the products.

5. **Outdated technology:** The women entrepreneurs normally depend upon out dated techniques and techniques and equipment. They are not able to adopt latest technology due to high cost.

6. **Inadequate infrastructure:** Insufficient quantity of transportation, communication and other basic services particularly in backward areas is another problem. Inadequate infrastructure results in under utilization of capacity and wastages. Inadequate infrastructures also adversely affect the quality, quantity and production of the rural women entrepreneurs.

7. **Problem of unskilled:** Women entrepreneurship located in backward area may not have skilled workers. Due to the unavailability of skilled workers results in lower productivity, deterioration of quality, increase in wastages, and rise in other overhead costs and finally adverse impact on the profitability.

8. **Limited Mobility:** Since the women are not able to move freely because of their family commitments and family issues, this has become one of the main problem for their failure.

9. **Lack of social network:** The Lack of social networks deprives the rural Women to achieve their success in their business. Most of the highly

professional organizations which are run by male in many circumstances do not wish to encourage the women entrepreneur.

10. **Stiff competition:** Rural women entrepreneurs are not able to cope up with stiff competition faced from the male entrepreneurs. This is considered to be one of the main problems for the rural women entrepreneurs.

SUGGESTIONS FOR DEVELOPMENT OF RURAL WOMEN ENTREPRENEURS

1. Government has to provide finance to develop rural women in their entrepreneurship business.
2. Better educational facilities and schemes should be extended to women.
3. Adequate training program regarding management skills to be provided to women community
4. Encourage women's participation in decision-making.
5. A, special cells may be opened in banks and financial institutions for providing easy finance to women entrepreneur.
6. Scarce raw materials may be made available to women entrepreneurs on priority based.
7. Steps may be taken to make family members aware of the potential of girls and their dual role in society.
8. In rural areas self employment opportunities should be develop for helping women.
9. Marketing facilities for the purpose of buying and selling of both raw and finished goods should be provided in easy reach.

STEPS TAKEN BY THE GOVERNMENT TO IMPROVE THE POSITION OF RURAL WOMEN ENTREPRENEURS

The Government of India has also formulated various training and development programs for the women to start their ventures.

1. **Training programmes:** The following are the training schemes introduced by government especially for the self employment of women are:

- a. Support for Training and Employment Programme of Women (STEP).
- b. Development of Women and Children in Rural Areas (DWCRA).

c. Small Industry Service Institutes (SISIs)

d. State Financial Corporations

e. National Small Industries Corporations

f. District Industrial Centres (DICs)

2. **Mahila Vikas Nidhi:** SIDBI has developed this fund for the entrepreneurial development of women especially in rural areas. Under Mahila Vikas Nidhi grants loan to women are given to start their venture in the field like spinning, weaving, knitting, embroidery products, block printing, handlooms handicrafts, bamboo products etc.

3. **Rashtriya Mahila Kosh:** In 1993, Rashtriya Mahila Kosh was set up to grant micro credit facilities to women at reasonable rates of interest with very low transaction costs and simple procedures.

CONCLUSION

The rural women entrepreneurship in India needs to be developed in order to improve their family and wealth of the nation. Women today are taking up many activities as equal to that of the men. The Government should take effective steps to improve the status of women to motivate, educate and promote rural entrepreneurship. They must be trained to develop their skills to meet the challenges in global markets and also be competent enough to sustain and strive for excellence in the entrepreneurial area.

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