

RURAL WOMEN AND ENTREPRENEURSHIP IN INDIA

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ABSTRACT

Females constitute about 48% of rural population in India. Their empowerment is very important for social-economic development of the country. Therefore, the Government of India has started several programs, plans and initiatives for empowerment of women in country. Today women are breaking prevalent stereotypes and playing an important role in making of new India. As entrepreneurship is an empowering mechanism needs to be strengthened, provide the opportunity of financial independent, giving control over the assets and leading to economic freedom. It plays a significant role in economic growth of country also. So, women entrepreneurship is centre to any country's sustainable development. Transforming rural women into a successful entrepreneur is a social and economic necessity. Now rural women are showing great interest in setting up small but self-reliant enterprises through skill training. In this direction several schemes are underway to equip them with professional knowledge and technical skills. This paper is focusing on these schemes in detail with the constraints and challenges in the way of rural women entrepreneurs in India.

KEYWORDS: Rural Women, Entrepreneurship, Plan, Program.

Introduction

Women is the pivot of society and family but still in the most of the areas they lack access to decent work and face occupational segregation and gender gaps. they are denied excess to basic education and healthcare. women in the word suffer violence and discrimination too. they are underrepresented in political and economic decision-making process. particularly rural women have limited access to credit, health care and education. In India economic and social condition of its women population has been a matter of concerns since long time. So financial empowerment of rural women is a priority of overall development of Indian society. empowering rural women is a key not only to the wellbeing of individual, family or society but also the economic stability. In an interaction with women self-help groups in July 2018 Indian P M Shri Narendra Modi had said "for women empowerment financial Independence is necessary women are enterprising they don't need to be taught only need to be given opportunities to perform". He further says that rural women has huge potential we only have to realise their capabilities. So, to realise their capabilities of rural women and gave them financial strengthen Indian government has started several schemes to empower rural women as an entrepreneur.

Entrepreneurship: Meaning and Importance

"Entrepreneurship is defined as a systematic innovation which consist in the purposeful and organised to search for changes and it is the systematic analysis of the opportunities such changes might offer for economic and social innovation." **Peter Drucker**

Entrepreneurs have significant contribution not only in the business field but the purpose of total economic development of any nation. They make sure uses of resources available for the upliftment of the nation. Now entrepreneurship has a important place in the economic and social development of any country. It is a new revolution about continuous innovations, creativity, uses of technology and machinery. By This entrepreneurship help in produce a variety of goods and services available for the society. It results high standards of economic development and industrial progress. **Yale Brozen** has

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said that "entrepreneurship is the essential part of economic development". It is true as entrepreneurs not only help to generate employment opportunity, raise the standard of living, establish new industrial enterprises but also help in bringing changes in social framework. The entrepreneurs play the important role in removing regional disparity and social backwardness. They are important base of country's socio-economic transformation by the process of decision making performed by economic innovations. Hence the entrepreneur leads the society towards progress by adopting new technologies, by establishing new ventures, by generating employment opportunities and by creating a new environment. Overall entrepreneurship is a risk wearing capacity and organisation building capacity, a group activity, as a managerial skill and a leadership function which is essential for social and economic development in many ways.

Women and Entrepreneurship

Women consist about half of the population of the world and is a important part of society. They share a equal place with men in society but the equality in decision making, opportunities to participate in economy and politics, right to education and social disparities are always remain as issue. But Improvement in education, health care and changed social status have had a significant positive role in the lives of Indian women. Today women are playing a important role in almost every sector and they have left their mark in the field of science, defence, space and sports as well. Women are capable doctors, lawyer, brilliant engineers and successful educationist as well as entrepreneurs. They are continuously moving ahead with their struggle and hard work and increasing the pride of country worldwide. As we have completed 75 years of Independence, we must assure that existing economic barrier of Indian women should also break so that they can contribute equally to India's economic growth. A direct involvement of women in economic growth of country can boost the development scenario in every aspect So there is a need to change the gender bias and social status of women they faced a long.

As entrepreneurship is defined as a key instrument in the process of industrialization in particular and economic development in general. It acts as a driving force for new innovations and activator for social change. Rural areas provide material from agriculture, horticulture and animals produce to start new enterprises in the field of food processing, dairy, sericulture, fisheries and other. In recent times, rural India is witnessing a unique transformation in women. especially in the rural areas. women are running successful enterprises with confidence by organising themselves into cooperative groups or institutions. Women entrepreneurs may be defined as the woman or group of women who takes initiative to set up a business and to manage it evenly. Women entrepreneurs are those who generate business ideas or mobilize resources, select best opportunities to combine the factors of production and manage the enterprise in the most effective and efficient manner to earning profit.

Women empowerment means empower women to take decision or capable them to deciding for themselves. Entrepreneurship is also an empowering mechanism which provides financial opportunity and decision-making rights to spend the money personally and for the enterprise. It plays important role in economic growth and reduction of poverty. In rural community agriculture and allied sector is the primary sources of livelihood. 80% of all rural women are economically active in farm activities like sowing, weeding, seed selection and seedling production, threshing etc. Also, they are engaged in animal husbandry, milk selling, fish processing, collection of forest product. But not in a organised manner because of several barriers limited their capacities like low level of education, being unskilled, family responsibilities and traditional limitations, inequality in average wages etc. so the entrepreneurial capacity has not been appropriately tapped. Therefore, there is a need to accelerate women Entrepreneurship in India is huge. Now vigorous efforts are underway to develop and promote entrepreneurship in rural areas primarily to engage rural women for tackling issues like poverty, financial autonomy, social and economic empowerment. We have seen a number of success stories of women entrepreneurs in recent past. Rural women are not behind in it. India is celebrating and commemorating the progressive 75 years of India after independence with Azadi ka Amrit Mahotsav and promulgating mission of warranting women as Empowered women – Empowered Nation.

In India many reforms are underway for holistic development of women, enabling socio economic security. Since independence several government flagships plans and schemes are initiated to improve rural women's status in society by creating livelihood opportunities and engagement in paid employment. Women's economic freedom is one of the basic building blocks of the society. The old perceptions of family responsibility and domestic and family work on women is now changing. In India gender equality is enshrined in the constitution and grant them equality and empowers in the front of

social, educational and economic aspects. After the Independence the government and its policies have had the empowerment of women in many ways. By the 5th five-year plan government started considering the role of women entrepreneurs in the development of the economy of country. This plan was focused on creating employment opportunities, poverty alleviation and self reliance in agriculture production. Government has taken various initiatives to make women a part of mainstream in agriculture sector. Social-economic equality and security is most important for rural women empowerment. So that the rural women can have a better lifestyle and get a comfortable environment.

Additionally, many state governments have made the several schemes to boost the role of women entrepreneurs.

According to Forbs India magazine total 13.76 % female entrepreneurs are in India at present. while about 20.37% women owns the micro, small and medium enterprises in India. Whereas share of MSMEs owned by women in financial year 2021 was 20.44% in micro enterprises, 5.26% in small and 2.67% was in medium enterprises. Of the total women entrepreneurs, 34.3 percent are employed in the agriculture sector, while 65.7 percent women entrepreneurs are working in the non-agriculture sector. Livestock sector has the highest number of women entrepreneurs (31.6 percent) in agriculture, while the number is highest in manufacturing (29.8 percent) and retail (17.8 percent) in the non-farm sector. In enterprises set up by women, an average of 1.67 people were employed in each enterprise.

These figures are certainly not very encouraging and show that the way to entrepreneurship for rural women is not easy. Despite this, a lot of work has been done in this direction in the last 6-7 years and now dozens of such women are shining like stars in this field. Some of the important schemes by central government are—

Rural Self-Employment and Training Institutes (RSETI) for Tribes

In this program outside the agriculture sector run by banks under the Ministry of Rural Development, a trainee is encouraged to start his own micro to 1 crore enterprise by taking loan from banks. The scope of this program can be gauged from the fact that it is being run in 566 districts of 33 states and union territories of the country. In this, 23 banks including private, public sector and some rural banks are giving loans through 585 RSETI. A total of 61 courses are being imparted training in RSETI. All these courses are designed on the basis of National Skill Qualification Framework (NSQF). Out of these 61, 38 courses are specially for women who can get trained in them and get self-employed.

Prime Minister's Employment Generation Program (PMEGP)

PMEGP is a flagship loan-based subsidy program under the Ministry of Micro, Small and Medium Enterprises (MSME) aimed at creating self-employment opportunities through micro enterprises in the non-farm sector. It is noteworthy that this program is for the non-agricultural sector, but women from rural areas can participate in it and can establish any small enterprise except agriculture. Rural people get 35% subsidy under this plan.

Economic Empowerment of Women Entrepreneurs and Start-up of Women

The project, run under the Ministry of Skill Development and Entrepreneurship (MSDE), pilots' incubation and acceleration programs in which either a woman is starting a new micro enterprise or wants to expand an already running micro enterprise. With a vision to promote the sustainable development of women entrepreneurs for balanced growth in the country, Start-up India is committed towards strengthening women entrepreneurship in India through initiatives, schemes, creation of enabling networks and communities and activating partnerships among diverse stakeholders in the start-up ecosystem.

Women Entrepreneurship Platform (WEP)

NITI Aayog launched the Women Entrepreneurship Platform (WEP). It was first proposed at the Conclusion of the 8th Global Entrepreneurship Summit in 2017 by Shri Amitabh Kant, CEO, NITI Aayog. The platform was announced as a Women's Entrepreneurship Cell, to address the issue of information Asymmetry and cater to the needs of women entrepreneurs. Post The announcement, research revealed that while there were multiple Such cells and initiatives, they were largely operating in silos with Little or no knowledge sharing or collaboration. It was launched on the International Women's Day in 2018, WEP has been Envisioned as an aggregator of information and services, with a mission to educate, enable and empower women entrepreneurs. To Build a vibrant ecosystem for women led enterprises, the platform Works to strengthen industry linkages and increase awareness of Existing programs and services. The platform follows clearly defined objectives to fulfil the vision with which it was made. In this

direction, the platform provides different services for all types of women entrepreneurs, new and old. A key characteristic of WEP is its agnosticism for the kind of user that can benefit from its service WEP caters to both established as well as aspiring women entrepreneurs and all women Owned enterprises are welcome on the portal regardless of the size, sector and type of enterprise.

Three guiding pillars inform WEP's 360-degree view to female Entrepreneurship.

- **Ichha Shakti:** To motivate aspiring entrepreneurs to kick-start their enterprise.
- **Gyan Shakti:** To provide knowledge and ecosystem support.
- **Karma Shakti:** To provide hands on support in launching and scaling ventures.

Stand Up India

Stand-Up India Scheme Facilitates bank loans between 10 lakh and 1 Crore to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and at least one-woman borrower per bank branch for setting up a greenfield enterprise. This enterprise may be in manufacturing, services, agriculture-allied activities or the trading sector. In case of non-individual enterprises at least 51% of the shareholding and controlling stake should be held by either an SC/ST or woman entrepreneur. On February 03, 2021, a 20-webinar series in collaboration with COWE to create Awareness Outreach & Business Opportunity Program to give a fillip to aspirant Women Entrepreneur under Stand-Up India (SUI) Scheme. The scheme was launched by the Prime Minister Shri Narendra Modi on April 5, 2016, with the main objective of facilitating entrepreneurship for women and scheduled castes and tribes. This system is anchored by the department of financial services, Ministry of Finance, India. Under this, loans ranging from Rs 10 lakh made to micro to Rs 1 crore are given for setting up an enterprise outside the agricultural sector. As per the figures available 83% of beneficiaries are women entrepreneurs.

Mahila E-Haat Yojna

Mahila E-Haat is an initiative for meeting expectations and needs of women entrepreneurs. It is an online marketing platform for women, where participants can display their products. It is the initiative for women across the country as a part of 'Digital India' and 'Stand Up India' initiatives. This platform gives an opportunity to female entrepreneurs for showcasing their products with the help of technology. For the assistance of buyer and seller the photos of products, description cost and mobile no with address of seller are displayed on the e-haat portal. The platform has been set up by the Ministry of Women and Child Development, Government of India under Rashtriya Mahila Kosh (RMK). The main aim of the program is to act as a facilitator by providing a web-based marketing platform to the women entrepreneurs to directly sell to the buyers. This platform Provides an opportunity for female entrepreneurs to leverage technology for showcasing products made, manufacture and sold by them. Women can also showcase services being provided by them which reflect creative potential like tailoring, painting etc. Entire business on E-Haat can be handled through a mobile number provided by the producer. They can with their customers by this number. The buyer will have the option of approaching the seller physically, telephonically or through email or any other means as convenient to him/her. E-Haat is thus a direct interface between buyer and seller, to facilitate marketing of products of women entrepreneurs/SHG. This platform gives an opportunity to female entrepreneurs for showcasing their products with the help of technology. For the assistance of buyer and seller the photos of products, description cost and mobile no with address of seller are displayed on the e haat portal.

Pradhan Mantri Mudra Yojana

Pradhan Mantri MUDRA Yojana (PMMY) is a scheme launched by the Hon'ble Prime Minister on April 8, 2015 for providing loans up to 10 lakhs to the non-corporate, non-farm small/micro enterprises. These loans are classified as MUDRA loans under PMMY. These loans are given by Commercial Banks, RRBs, Small Finance Banks, MFIs and NBFCs. It is another scheme of government which provides access to institutional finance to micro and small businesses. Aspiring female entrepreneurs can avail funds of up to 10 lakhs to start a micro enterprise.

Bank Schemes

To starting a business, financing is very important. It is base of any business. As without the financial assistance no business can start. Banks are there to provide financial help in the form of loans for the start-ups and the small-scale business. empower women as a entrepreneur with the government, the commercial banks and other financial institutions have also come forward with the various schemes to provide financial assistance to them. Some of them:

- **SBI Stree Shakti Package**

It is a scheme initiated by the state bank of India introduced in the year 1989. This scheme is for the women who want to become entrepreneur or want to expand their existing business. Women entrepreneurs or have a shared Capital of not less than 51% as partners /shareholders /directors of a private limited company or members of co-operative society can apply for this business loan. In this scheme financial assistance to the extent of rupees 25000 can be provided to the women entrepreneurs without keeping collateral security or guarantee and a discount of half percent is allowed on the interest charged. The branch manager and the field Officers of the bank provides necessary support and assistance to women who want to set up their enterprise.

- **Udyogini Scheme**

This scheme was created to prop-up women entrepreneurs from rural areas and illiterate women from villages. It was executed by (WDC) Women Development Corporation by offering various loan options to them. The scheme focuses on supporting entrepreneurship, economic autonomy and self-determination among women. Although, this option can be availed by the female who have a family income of 1.5 lakh or less per annum. The eligible age limit to avail of the loan is 18 to 55. The loan limit for the Udyogini scheme is up to 3 lakhs.

Challenges and Problems Faced by the Rural Entrepreneurs

- **Stereotypes on Abilities and Gender Biases:** The important barriers to the empowerment of women through the entrepreneurship is our male dominated society. The social cultural attitude and beliefs does not accept women as entrepreneurs so easily. In the families male child is still preferable to a female child right from the birth. Till today women are considered as able, weak, home oriented and less capable than the man. Still business recognised as a field made for the male like domestic responsibilities made for female part of the family. These stereotypes on the capabilities of women works as a constraint in the way of entrepreneurship.
- **Domestic Responsibilities:** The whole household activities like cleaning cooking or taking care of the children or family members are the domestic responsibilities of a female. In a family male member is primarily related to the productive or economic work outside the home where as the women as a housewife or home maker takes over all responsibility of a family or social duties. Till today as a wife, she is expected to serve her husband, preparing food, cleaning, clothing and other personal needs. As a mother, she has to take care of the children and their needs, including education whether she is educated or not. Because of their these domestic responsibilities many women compromises with their career despite having abilities and opportunities. The dual responsibility that women entrepreneur has to cope with is making a success of their enterprise as well as looking after the home is not so easy.
- **Patriarchy and Family Constraints:** Right from early childhood girl child is taught not to be aggressive or independent. They are discouraged to move out of the family and take up their business. Conservative attitude of the family members makes the women weak and passive in their approach and decisions. They always depend on the male members of the family like father, brother and husband
- **Funds and Financial Problem:** Women entrepreneur are lacking access to the finance due to absence of security and credit in the market. mostly women do not have properties on their names in family so they suffer from sickness due to the lack of financing. There economic dependency on the male member of family is always a barrier in their way. They always have to ask or guided by them. Also, they are less mobile due to socio cultural barriers so they cannot manage problems regarding financial matters easily.
- **Lack of Education and Family Encouragement:** This is the greatest barrier to entrepreneur career among female in the country is lack of education. Illiteracy is still the major problem of socio-economic backwardness of women in Indian society. Also lack of educational knowledge limits the technical and implementation abilities regarding business in a woman. In India a very few women get encouragement from their family to start a business consequently family bonding spares a very little time for the women to take up entrepreneur activities.
- **Low Risk bearing Capacity:** Every business includes some portion of risk. it may be financial risk, social risk or psychological risk. An entrepreneur should have risk taking capacity while

starting a venture. Generally, women in India are confined to the four walls of the house. they are less educated, economically backward and dependent on the male counterpart. This reduces their risk bearing capacity in running the enterprise.

- **Lack of Self Confidence:** Most important in our patriarchal society and socio-cultural beliefs women lack self confidence in their own abilities this is because of families reluctance to provide them funds for their venture bankers reluctance to fund their project due to lack of collateral security and their names and above all very few development agencies come forward to extend them assistance. As entrepreneurship needs a high level of commitment, devotion and dedication. But women have to cope up with their multiple roles of being a mother, wife or house maker. This stress reduces their capabilities and self confidence. Women enterprises have to face stiff competition from organised male industries as a result of this leads to the closure of women enterprises.

Overall, the constraints faced by the women entrepreneurs in different domains are in psychological, social, technical or in economic domain. Other constraints faced by women entrepreneurs are the negative attitude of financial and banking institutions, lack of managerial efficiency or business experience insufficient and inefficient arrangement of marketing of the products, difficulty to manage raw materials and red tapism.

According to the global gender gap report 2021 by world economic forum India stands on the place of 140 in out of 153 countries. The women partnership in GDP is only 18% in India. Only 14% of women want to choose their career as an entrepreneur. To encourage rural women in entrepreneurship some steps need to be taken.

- Help and encouragement-a strong system should be developed with the help of Government and non governmental organisations to help and courage to the rural women for establishment of enterprise.
- Training- proper skill development training and technical knowledge should provide to the rural women for creating and expand the enterprise.
- Marketing help- This is the major problem of rural women to provide a proper market to their product. For this an expert advice system should be developed.
- Financial assistance- Although the government banks and many schemes are there for financial help. Mudra Yojana is also a strong plan for this but for the help of rural women a local system of financial assistance should be develop so that rural women can easily connect without a long formality.

Therefore, there is a need for emphasize positive policies in favour of women for building a strong economic environment for the women in country. Women Entrepreneur has been recognized during the last few decades as an important primary source of economic growth. Women entrepreneur is an important aspect of economic development of the country not only personal and family level but also social and national level too. But their way was not easy before and not now. Have to build a strong and healthy environment for women entrepreneurs because the challenges and opportunities provided to the women of digital era are growing rapidly as the job seekers are turning into job creators.

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