



CHALLENGES FACED BY WOMEN ENTREPRENEURS IN EASTERN UTTAR PRADESH: A STUDY OF VARANASI DISTRICT

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Abstract

The status of women has always been a fascinating subject for students of human society, academicians and development workers. The position of women and their status in any society reflects the index of its civilization and constitutes around half of the total world population and are considered as equal partners in the process of development.

Entrepreneurship amongst women has been a recent phenomenon. Women entrepreneurs may be defined as women or group of women who initiate, organize and operate a business enterprise. Government of India has defined women entrepreneurs as the enterprise owned and controlled by a women having a minimum financial interest of 51% of the capital and giving at least 51% of employment generated in the enterprise to women. Like a male entrepreneurs a women entrepreneur has many functions. They should explore the prospects of starting new enterprise; undertaking of risks, introduction of new innovations, co-ordination, administration and control of business and providing effective leadership in all aspects of business. While India Inc has seen some real big, successful women leaders in different roles and sectors, the new wave that it's witnessing is that of women entrepreneurs. Now day's women have become aware of their existence of their rights and work situation. In many developing economies more and more women are earning their livelihood by engaging themselves in the small scale business sector, as a business owner or partner. These small enterprises provide women friendly, specific technologies and infrastructure that enhance work productivity and work environment.

Key words: Women Entrepreneurs, Challenges, Economy, Employment.

INTRODUCTION

The welfare of the people is largely influenced by the economic development of a nation which in turn depends on the human resources. Entrepreneurship is also a human resource influenced by socio –cultural factors Women represents a sizeable percentage of population with changing times more and more educated women are coming forward to take up technical venture. Supporting women entrepreneurs in a competitive economy making the livelihood choice of becoming self-employed in the small scale business sector, as a business owner partner. The women entrepreneurs are usually social entrepreneurs first and foremost. If a woman is not economically free and self-earning, she will have to depend on her husband or someone else, and dependents are never free as stated our Pm. Pandit Jawaharlal Nehru.

Surveys clearly indicate that women's primary entrepreneurial activity is focused on the SME sector. Approximately 60 percent are engaged as small scale entrepreneurs, 15%, large scale manufactures and the remaining are engaged in the cottage and micro entrepreneurs. The fact that Small Scale Industry is considered as an ideal nursery for the rapid growth and development of entrepreneurship, which is a process undertaken by an entrepreneur to augment his business interests. Women accounts for 495.74 million and represents 48.3% of the country's population as an independent target group. In a developing economy like India women have less access to education, job, income and power so it becomes indispensable to empower them for the long term development of the economy. Our country will be unable to have a competitive edge over others until and unless the status and role of women is improved.

The role of Indian women has undergone dramatic changes due to

- Increasing globalization



- Impact of technology
- Impact of media and impact of other cultures.
- Impact of socio economic and cross currents of the world.

With the dawn of new millennium our environment is changing rapidly and it is the need of the hour to recognize the spirit of entrepreneurship of Indian people residing in our country and we should motivate them in the entrepreneurial activities so as to initiate and sustain the process of economic development.

Eastern Uttarpradesh popularly known as Purvanchal now covers 29 districts namely Varanasi, Chandoli, Ghazipur, Jaunpur, Mirzapur, Sonbhandra, SantRavidas Nagar, Gorakhpur, Kushinagar, Deoria, Azamgarh, Mau, Maharajganj, Basti, Sant Kabirnagar, Siddharth Nagar, Ballia, Allahabad, Pratapgarh, Kaushambi, Fatehpur, Faizabad, Ambedkarnagar, Sultanpur, Gonda, Bahraich, Shravasti, Balrampur and Barabanki.

In the year 2001-2002 an outlay of Rs. 210.00 crore was allocated for the various packages by the State Government. The package wise details are mentioned below

Sl. No.	Name of package	Approved outlay(Rs. in lakh)
1.	Bundelkhand	7998.28
2.	Madhyanchal	2578.21
3.	Pashchimanchal	3615.68
4.	Purvanchal	6013.32
5.	Critical gaps	794.51
	Total	21000.00

Source: <http://planning.up.nic.in/annualplan0203/part2/Part2-c03.htm>

For the Tenth Five Year Plan (2002-2007) and Annual Plan (2002-2003), outlays of Rs. 1390.21 crore and Rs. 231.00 crore respectively have been proposed for the packages.

The state of Uttar Pradesh consists of seventy districts, which are grouped into eighteen divisions: Agra Division, Aligarh Division, Allahabad Division, Azamgarh Division, Bareilly Division, Basti Division, Chitrakoot Division, Devipatan Division, Faizabad Division, Gorakhpur Division, Jhansi Division, Kanpur Division, Lucknow Division, Meerut Division, Mirzapur Division, Moradabad Division, Saharanpur Division and Varanasi Division.

As Varanasi is located in the Indian state of Uttar Pradesh, and is a historic center of Indian cultural and religious tradition, women play a very important role in since time immemorial in giving life to this city

RESEARCH METHODOLOGY

The study was conducted in the Varanasi district of Uttar Pradesh, wherein the list of women entrepreneurs was procured through Women entrepreneur Wing of District Industry Center, Varanasi. A Pilot study was conducted to assess the validity and reliability of the schedule. Interview was used as the main tool for getting information. There are eighteen prominent Small-Scale industries whereby, the researchers has taken a sample of 150 women entrepreneurs from Chiraigaon Industrial estate and Chandpur Industrial estate out of the total 225 women entrepreneurs registered under DIC who were engaged in different industries for earning their livelihood.

OBJECTIVES OF THE STUDY

The present research endeavor was mastermind with the following objectives.

1. To examine the state-wise distribution of women entrepreneurs in small scale industries.
2. To assess the success of these women entrepreneurs by getting benefitted from PMRY.
3. To explore the major hindrances and to offer suitable suggestions for removing the lacunas inherent in their functioning.



Table: 1 State-wise distribution of small scale industrial units owned by women entrepreneurs

Sr.No.	State/ Union Territory	No. of SSI Units	Percentage to Total
1.	Kerala	139225	13.09
2.	Tamil Nadu	129808	12.20
3.	Karnataka	103169	9.70
4.	Maharashtra	100670	9.46
5.	Andhra Pradesh	77166	7.25
6.	Uttar Pradesh	72667	6.83
7.	West Bengal	69625	6.55
8.	Madhya Pradesh	68823	6.47
9.	Gujarat	53703	5.05
10.	Bihar	49443	4.65
11.	Orissa	38233	3.59
12.	Rajasthan	36371	3.42
13.	Punjab	29068	2.73
14.	Delhi	14383	1.35
15.	Assam	11757	1.11
16.	Manipur	10745	1.01
17.	Chhattisgarh	10034	0.94
18.	Haryana	9620	0.90
19.	Uttaranchal	8804	0.83
20.	Jharkhand	7865	0.74
21.	Jammu and Kashmir	5742	0.54
22.	Himachal Pradesh	3722	0.35
23.	Mizoram	3700	0.35
24.	Meghalaya	3580	0.34
25.	Chandigarh	2243	0.21
26.	Pondichery	1065	0.10
27.	Tripura	863	0.08
28.	Goa	810	0.08
29.	Daman, Diu, Dadra and Nagarhaveli	213	0.02
30.	Nagaland	179	0.02
31.	Arunachal Pradesh	150	0.01
32.	Andaman and Nicobar Island	110	0.01
33.	Sikkim	98	0.01
34.	Lakshadweep	67	0.01
	All India	1063721	100

Source: <http://www.smallindustryindia.com/ssiindia/census/sumryes.htm>

In India small scale industrial units are administered by both men and women. Table 2. clearly shows that Kerala tops the list having 1.39 lakh units, followed by Tamil Nadu having 1.30 lakh units among the small scale industrial units owned by women entrepreneurs in India. Tamil Nadu occupies the second positioning the total number of small-scale units owned by women entrepreneurs in India, whereas Lakshadweep occupies the lowest number of small scale units owned by women entrepreneurs. (67 units).



Table: 2 Total number of Entrepreneur who established units under PMRY from year 1993-94 to 2004-05.

Sr. No.	Year	Target	No. of Beneficiary	Investment(in Lakhs)
01	1993-94	220	92	51-50
02	1994-95	957	509	279-69
03	1995-96	855	516	219-15
04	1996-97	855	460	201-40
05	1997-98	932	681	378-20
06	1998-99	1050	803	481-80
07	1999-00	1060	962	721-50
08	2000-01	1110	817	612-75
09	2001-02	1310	988	790-40
10	2002-03	1310	1118	894-40
11	2003-04	1305	1148	918-40
12	2004-05	1335	1337	1203-30

Source: D.I.C. Varanasi.

It may be deduced from the above table that investment limit in the small scale industries earmarked under Prime Minister Rozgar Yozana has been increased as a result of which the number of beneficiaries showed a marked improvement from the year 1993-94 till year 2004-05.

Table: 3 Women Entrepreneur Benefitted under PMRY scheme for year (2004-05)

Sectors	Beneficiary	Investment (in lakhs)
Industry	18	16.20
Service	15	13.50
Business	39	35.10
Total	72	64.60

Source: D.I.C. Varanasi.

From the above table, it may be concluded that women entrepreneurs who are getting benefitted under Prime Minister Rozgar Yojana has been reported as eighteen in the industrial sector like manufacturing of ancillary products for bigger manufacturing hubs, whereas fifteen women entrepreneurs are rendering their services by engaging themselves in the jobs like cosmetics and beauty parlours, nursery crèches, consultancy services etc. Moreover, thirty nine entrepreneurs are engaged in few business sectors garment and textile items, medicare, education and training.

Total: 4 Women Entrepreneur Benefitted under PMRY scheme for year (2005-06)

Sectors	Beneficiary	Investment(in lakhs)
Industry	37	31.45
Service	24	20.40
Business	63	53.55
Total	124	105.40

Source: D.I.C. Varanasi.

Table: 5 Women Entrepreneur Benefitted under PMRY scheme for year (2007-08)

Sectors	Beneficiary	Investment(in lakhs)
Industry	55	82.5
Service	42	63.0
Business	92	138.0
Total	189	283.5

Source: D.I.C. Varanasi.



Total No. of women entrepreneurs who got approval to establish units under PMEGS Till Jan-Mar 2009 is 18 out of the total 70 approved projects.

Through table 3 and 4 it may be analyzed that women entrepreneurs beneficiaries under Prime Minister Rozgar Yojana who are engaged in the three main sectors i.e. primary, secondary and tertiary sector has also shown an increasing trend due to which they have improved their living standard as receiving substantial income at their disposal.

Table: 6 Constraints faced by women entrepreneurs

S.No.	Constraints Faced	No. of Respondents	% age
1	Raw Material	145	96.6
2	Power and Fuel	99	66
3	Financial Problems	145	96.6
4	Labour	128	85.3
5	Lack of awareness and Guidance	113	75.3
6	Marketing Problems	117	78
7	Competition	40	26.6
8	Male Domination	69	46
9	Training in Entrepreneurial and Management Skills	89	95%
10	Lack of Mobility	103	68.6
11	Family and social constraints	134	89.3
12	Inadequate Government Support.	123	82

Source: D.I.C. Varanasi.

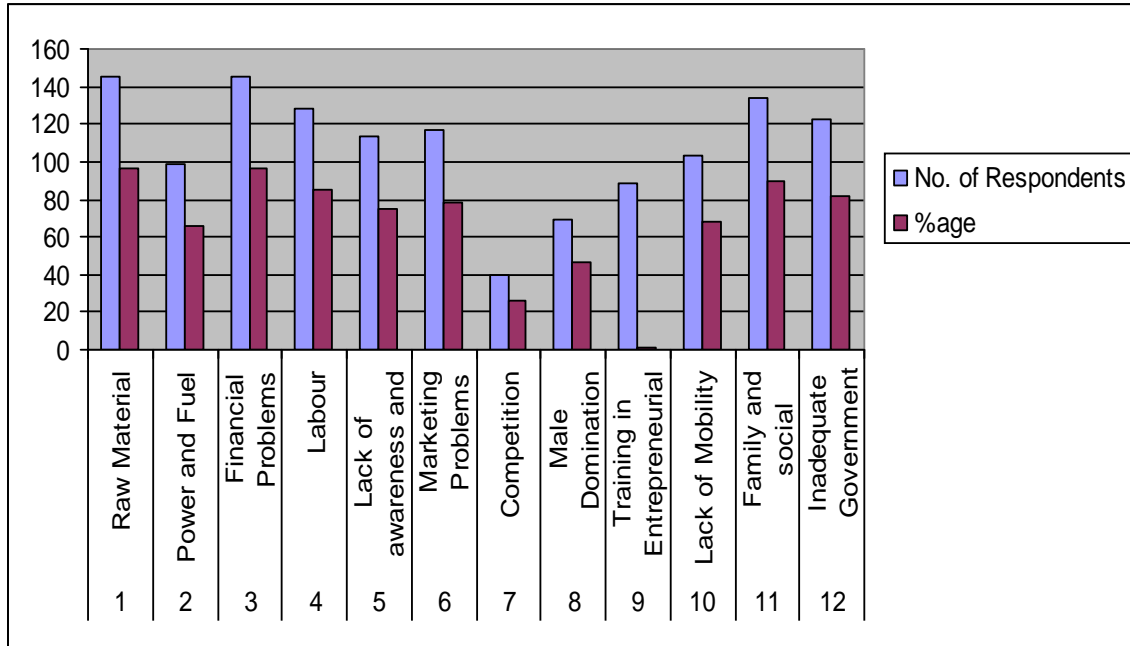
Generally women entrepreneurs have to encounter following types of problems:

- **Problems of Finance**
As we all know finance is the life blood of any business and nearly 96% women entrepreneurs have reported to face financial crisis because they are being considered as less credit worthy.
- **Scarcity of Raw Materials**
Raw materials are required for carrying out the day business operations smoothly .Nearly 96.6 % women entrepreneurs have a poor bargaining capacity due to which they procure raw materials at a high cost with minimum discount facilities.
- **Cut- throat competition**
Due to inadequate organizational setup for carrying out the aggressive promotional campaigns 26.6% women entrepreneurs have to face intense competition from both organized sector and also with their male – counterparts.
- **Limited Mobility**
Unlike men, women’s have limited mobility, and are being looked with suspicion whenever they venture out. This major obstacle is being witnessed by 68.6% women entrepreneur.
- **Family Responsibilities**
In India women have to strike a fine balance between their family ties and also at the same time managing their business. In order to have a happy blending of both 89.3% women entrepreneurs make their earnest endeavor in their social pattern.
- **Lack of Education**
In India around 73.3% of women are still illiterate due to which they are not aware of business, technology and market knowledge creating hindrances in setting up and running of business enterprises.
- **Low Risk – Bearing Ability**
In India women lives in a conservative society, less educated and economically dependent on others which ultimately reduces their ability to bear risk involved in running an enterprise, hence 95% women entrepreneurs are being regarded as incompetent.



➤ **Male dominated society**

The greatest deterrent to women entrepreneurs is that they are women. A kind of patriarchal- male dominated social order is the building block to 46% women entrepreneur in their way towards business success.



CONCLUDING OBSERVATIONS

Independence brought promise of equality of opportunity in all sphere to the Indian women and laws guaranteeing for their equal rights of participation in political process and equal opportunities and rights in education and employment were enacted. Amultipronged approach is to be adopted for motivating women for pursuing entrepreneurial activities. Social activists, NGOs, Government agencies should play an active role for driving the women to explore entrepreneurial opportunities in small scale industries.

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