

# Rural Women Entrepreneur: Opportunities and Challenges

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**Abstract:** *The study was under taken to examine the growth potential and challenges of Kava/Peda Production Units of rural India; it has been conducted in Bisnal, Teggi and Galgali villages of Bagalkot district of Karnataka state; three 'Kava and Peda Production Units' were randomly chosen from selected villages. The structured questioners were employed separately for women entrepreneurs and labours to study the socio-economic status of women entrepreneurs/labour and Focused Group Discussion (FGD) was conducted for women workers.*

**Keywords:** Entrepreneur, Procurement, Training, Focused Group Discussion (FGD), Geographical Indication (GI)

## I. INTRODUCTION

Women and rural area are heavily contributing for the development of Indian economy; around 75 percent of population live in 6,27,000 villages and women constitute nearly half of India's population; her share in agriculture and its associated activities are leading. Unfortunately, inadequate and uncertain monsoon forced the rural people in unemployment, poverty, migration, wastage of man-hours and resources. Hence, majority of people migrated towards cities in search of employment; it created countless problems in urban areas viz. over population on cities, deficiency of basic amenities, increase in slums and environment pollution etc. Since independence Government of India having spent huge sum of money on rural unemployment and poverty alleviation, but the conditions has not improved at the desired levels. Further, slow growing agriculture dominant rural area and rapidly growing industries dominant urban area resulted to uneven development of both economies. In such a situation, the only remedy to solve the problems of the regional imbalance and rural economy are accommodating the rural people at villages is desirable; which may help to attain balanced development along with optimum utilization of available resources in the region. A true development of villages means rural industrialization; which requires entrepreneurship development at rural area. Rural Entrepreneurship means establishing micro, small and medium scale industrial units in the rural areas i.e. rural industrialization. These units may be based on traditional skills or modern machinery and techniques.

Rural industries are labour-intensive and high potential in employment generation per unit of capital employed. It is estimated that rural industries create employment four times more than the large industries in India. They can overcome various kinds of unemployment and underemployment faced by the people in the rural and semi urban areas; these raise the income level of the rural people and thereby help in reducing the disparities in income levels between rural and urban people; further promotes balanced regional industrial development. According to GOI, a women entrepreneur is defined as "an enterprise owned and controlled by a woman and having a minimum financial interest of 51 percent of the capital and giving atleast 51 percent of the employment generated in the enterprise to women".

More intensively, the development of rural industries through rural women entrepreneurship helps in the development of local resources, local skill and technique and thereby in the promotion of the age-old and rich heritage of the country. It does not give rise to the evils of the factory system such as insanitary conditions, slum areas, diseases and bad health, long hours of work, frequent quarrels between workers and employers, strikes and lock-outs etc.

**II. METHODOLOGY**

Since the study area was affected by Upper Krishna Project (UKP); agriculture land and villages of the region were partially submerged in the back water of Lal Bahadur Shastri Sagar of Alamatti. The study was conducted at three Villages of Bilagi taluk, Bagalkote district of Karnataka; number of families/individuals of Bisnal, Teggi and Galgali villages are engaged in Kava/Peda production activity; the Peda item of this region is famous by the name of ‘Galgali Peda’ and ‘Teggi Peda’. Three ‘Kava and Peda Production Units’ were randomly chosen from selected villages (i.e. Bisnal, Teggi and Galgali) to examine the challenges and growth potential of Kava/Peda Production Units; to study the socio-economic status of women entrepreneurs. The structured questioners were employed separately for women entrepreneurs and labours to meet the objectives; further, Focused Group Discussion (FGD) was conducted for women workers.

**Table 1: A Brief Profile of Selected Case Studies of the region**

<b>Description</b>	<b>CASE-A</b>	<b>CASE-B</b>	<b>CASE-C</b>
Year of establishment	Ancestors period	2011	Ancestors period
Education attainment and size of the family	Illiterate 05 member	9 <sup>th</sup> standard 07 members	Illiterate 17 member
Number of Sheds constructed	01	01	03
Availability of Stove	02	06	28
Availability of milk boiler	02	07	33
Availability of milk baking handle	02	03	50
Availability of milk canes	06	15	50
Quantity of usage of milk	300 liters	500 liters	2500 liters
Availability of Machineries	Nil	Fat machine-01 Refrigerator -01 Weighing machine-01	Fat machine-03 Refrigerator- 01 (1000 liters capacity) Weighing machine-01
Number of workers	01- Hired Male labour	04- Women workers	18- Women workers 02- Hired Male labour
Availability of fuel	Wet Corn Cobs	Cashew Cover Waste	Cashew Cover Waste & Wet Corn Cobs
Marketing facility	Galgali, Bilgi and Bagalkote	Galgali, Bilgi and Bagalkote	Hubbli, Dharwad, Bagalkote, Kolhapur, Mumbai, Hyderabad
Transportation facility	01- Motor bike	01- Motor bike 01- Goods carrier vehicle (Tum Tum)	03- Motor bike 01- Goods carrier vehicle KSRTC Bus- sending parcel

*Source: Field Survey*

Table 1, represents the profile of selected case studies of the region; there were many similarities and dissimilarity in the production units i.e. owner of these units were untrained female entrepreneurs; they engaged in Kava and Peda production activity since their ancestors period and 90 percent of working labour were rural women. Festival and Marriage season were challenging time for entrepreneurs; at that time all the units receive huge orders; entrepreneurs were under pressure to manage additional labour and required quantity of milk; intensively labours demand higher wage to work in the season. The large units like ‘Case-C’ having the capacity to produce Kava and Peda in large quantity; they purchase additional quantity of milk from Warana Milk Dairy to meet the demand of customer during festival season. Another dissimilarity of male dominance was found in ‘Case- C’ unit; entrepreneurs utilize KSRTC Bus service facility to send parcel for outstation (Hubbli, Dharwad, Kolhapur, Mumbai, Hyderabad) customers.

The small producer ‘Case- A’ individually manages its entire unit; family members themselves engaged in Kava making activity; it disturbed their routine life viz. engaging in farm activities, caring of children, social and domestic engagements. Entrepreneur hired a male labour for collection of milk and marketing of product; it sells the Kava to local large Kava



Production Units and Bakeries; it purchases the Wet Corn Cobs by local farmers at rupees 100 per bag. Cashew Cover Waste and Wet Corn Cobs are sources of fuel for boiling the milk to prepare Kava. Wet corn cobs were available in abundant quantity at cheaper rate; which is purchased from the local and nearby village farmers; whereas Cashew Cover Waste has to be purchased from outside i.e. Mangaluru, Kumata, Dandeli and Goa. ‘Case-B’ and ‘Case- C’ units heavily depend on Cashew Cover Waste; they place order will in advance and store in abundant quantity to avoid its shortage.

**Table 2:** Capital (Establishment) Expenditure of Selected Case Studies (in Rupees)

Description	CASE- A	CASE- B	CASE- C
Construction of Shed	20,000	30,000	2,00,000
Installation of Chimney Pipe	1,600	9,600	48,000
Purchasing of Stove	6,000	36,000	1,68,000
Machineries:			
a) Fat Machine	--	43,000	1,29,000
b) Weighing Scales (Machine)	1,100	3,800	5,600
c) Refrigerator	--	13,000	1,20,000
Milk Boiler	10,000	35,000	1,65,000
Milk Baking Handler	500	750	12,500
Milk Canes	7,200	18,000	60,000
Purchase of Vehicles			
a) Motor Bike	45,000	45,000	1,35,000
b) Goods Carrier	--	3,50,000	6,20,000
Total	91,400	5,84,150	16,63,100

Source: Field Survey

Table 2, depicts the Establishment cost of selected Production Units; ‘Case-A’ was the micro level production unit started with small amount of seed money; except purchase for motor bike the unit haven’t taken any other loan from the bank. ‘Case- B’ was medium unit had all type of required equipments and machineries to function. It was run by the literate women with inherited managing skills from their ancestors; thou it was younger as compare to other two units; it has huge potential to grow with competitive edge. ‘Case- C’ unit was larger in size with huge investment; no such bigger unit was functioning nearby any villages; it had all type of advanced equipments and machineries to function with competitive spirit; here the production level activities were handled by women entrepreneur and female workers; on the other hand all the marketing and outside activities were monitored by the male.

**Table 3:** Revenue and Expenditure of Selected Case Studies of Kava and Peda Production Units (Monthly Working Capital and Revenue in Rupees)

CASE- A			
Sources	Expenditures	Sources	Revenue
Purchase of Milk	1,35,000	Sale of Kava	1,80,000
Expenses on Fuel:		Sale of Peda	--
Wet Corn Cobs	8,000		
Cashew Cover Waste	--		
Wages of Workers	--		
Cost of Milk collection	5000		
<b>Total</b>	<b>1,48,000</b>	<b>Total</b>	<b>1,80,000</b>
CASE- B			
Purchase of Milk	2,25,000	Sale of Kava	3,00,000
Expenses on Fuel:		Sale of Peda	3,000
Wet Corn Cobs	--		
Cashew Cover Waste	33,000		
Wages of Workers	30,000		
Cost of Milk collection	--		



Total	2,88,000	Total	3,03,000
<b>CASE- C</b>			
Purchase of Milk	11,25,000	Sale of Kava	15,00,000
Expenses on Fuel:		Sale of Peda	60,000
Wet Corn Cobs	--		
Cashew Cover Waste	1,00,000		
Wages of Workers	1,35,000		
Cost of Milk collection	12,000		
<b>Total</b>	<b>13,72,000</b>	<b>Total</b>	<b>15,60,000</b>

*Source: Field Survey*

Table 3, reveals the monthly revenue and expenditure details of the selected Kava and Peda Production Units in the region; all the three units were receiving varied level of profit; comparatively, small unit was receiving little higher profit (i.e. 21.62 percent) than remaining two units; 'Case-B' unit receiving lesser profit (i.e. 5.20 percent) among others; but it has huge opportunity to increase profit and its resources. On the other hand, 'Case- C' unit had a profit of 13.70 percent at moderate level as compare to other units.

### III. FINDINGS AND SUGGESTIONS

The selected sample case studies were belonging to women entrepreneurs; the Kava and Peda making activity was inherited business from their ancestors and the entrepreneurs/workers were untrained; the activity improved the status of rural women and empowered themselves at certain extent. Huge number of small units like 'Case- A' were functioning in the entire region; the problems of inadequate credit, market, machineries and infrastructure were the hurdles for their growth; at the time of rainy season entrepreneur struggle to prepare the Kava in their bad conditioned sheds.

- Economic risks: These arise because of the irregular or non-supply of raw materials, fluctuations in the prices of products due to changes in demand, changes in the supply of finance and credit, marketing risks, etc. Women entrepreneurs find it difficult to procure milk at local level; because of that entrepreneurs hired a labour and provided a motor bike to collect milk from nearby villages. Irrespective of unit size milk procurement is major challenge for producers; acute shortage of milk is seen at the time of marriage and festival season (viz. Deepawali, Ramdhan, Bakarid etc.).
- Lack of Education and Training: In rural India literacy among women is very low; due to lack of education majority of women are unaware of technological developments, business skills, marketing knowledge etc. Women entrepreneurs have to attend the training programs on technology (online trading/e-marketing), business and marketing skills etc. to overcome the deficiency of skills.
- Competition: Small and medium units women entrepreneurs have imperfect organization setup. They had faced stiff competition from male entrepreneurs and organized agencies like Bakeries/Sweet Marts.
- Family Responsibilities: Women entrepreneur/labour has to perform dual responsibilities viz. duty to look after the children/other member of the family and business. Their involvement in family leaves little energy and time for business/work; hence they must learn the art of making a fine balance between home and business.
- Social attitudes: The biggest problem of a women entrepreneur is the social attitude and the constraints in which she has to live and work. Despite constitutional equality, there is discrimination against women. In a tradition bound society, women suffer from male reservations about a women's role and capacity. In rural areas, women face resistance not only from males but also from elderly females who have accepted inequality.
- Preserve of Milk/Kava: Perishable commodities like Milk and Kava must be preserved in cold storage/refrigerator; but non-availability of cold storage facility at local level forced the small women entrepreneurs to sell the product at lower price. Individually owning the cold storage facility is very difficult; hence the producer's co-operative society or the government must come forward to establish the cold storage facility.

### **3.1 Status of Women Labour**

Majority of labours working in Kava and Peda Production Units were women; around 200/250 rupees of daily wage was fixed for each female labour; entrepreneur provide a vehicle facility to pick-up and drop the labour and at the time of festival season labour receives higher wage rate; hence working in these Units women feel safe and secured. Further working in agriculture field is hard in nature and irregular/uncertain work made women labour to choose the Kava making units as destination to work.

Regular employment and income earning improved the socio-economic conditions of the women labour. Women were started to assist financially in their family expenditures and domestic purchase of goods viz. Bicycle, Motor bike, Mobile phone, Television etc. The dignity and status of women is changed within the family and society as well. Some time women feel difficult to balance between home and work; proper concentration on their personal/family commitments was disturbed.

### **IV. CONCLUSION**

The study area have huge potential to grow in production and marketing of specialized milk products viz. Kava, Peda, Basunde, Milk cake, Jamoon and other related items; the rural industrialization creates additional employment opportunities for rural mass. Further, medium and large women entrepreneurs may run their own Bakery shops to maximize their income; even the Kava and Peda producers association can establish Bakery shops at cities to optimize their available resources and costs.

Kava and Peda producers have to make an effort to claim the 'Geographical Indication' (GI) tag through their registered association; the Kava and Peda having a unique quality, characteristic essentially due to the geographical origin. The GI tag helps the genuine producers to avail optimum cost for their premium goods even in competitive market. Furthermore, it leads to the overall economic prosperity of the manufacturers and producers; the marketing and promotion of the products with the GI tags enhance the secondary economic activities in the region, which in turn boosts the regional economic development.

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