

## Micro entrepreneurship: The role of Microfinance and Entrepreneurship in empowering and elevating the status of rural women in India

– Shivi Mittal\*

Assistant Professor, G L BAJAJ Institute of Management and Research, Greater Noida  
✉ [shivi.mittal@glbimr.org](mailto:shivi.mittal@glbimr.org)  <https://orcid.org/0000-0002-6900-323X>

– Vineet Sengar

Assistant Professor, G L BAJAJ Institute of Management and Research, Greater Noida  
✉ [vineet.sengar@glbimr.org](mailto:vineet.sengar@glbimr.org)  <https://orcid.org/0000-0002-8826-1074>

– Ankur Agarwal

Assistant Professor, Sharda University, Greater Noida  
✉ [ankuragrawal10@gmail.com](mailto:ankuragrawal10@gmail.com)  <https://orcid.org/0000-0002-9087-6852>

### ARTICLE HISTORY

Paper Nomenclature: View Point (VP)  
Paper Code: V11N1JM2019VP4  
Originality Test Ratio: 12%  
Submission Online: 5-March-2019  
Manuscript Acknowledged: 8-March-2019  
Originality Check: 12-March-2019  
Peer reviewers comment: 31-March-2019  
Blind Reviewers Remarks: 15-April-2019  
Author Revert: 15-April-2019  
Camera-Ready-Copy: 20-June-2019  
Editorial Board Citation: 25-June-2019  
Published Online First: 5-July-2019

### EDITORIAL BOARD EXCERPT

At the initial time of submission paper had 12% plagiarism which is an accepted level for publication. The editorial viewpoint is of an observation that article had a successive close watch by the blind reviewer's which at later stages had rectified and amended by authors (Shivi, Vineet, Ankur) in various phases as and when requisite to do consequently. The reviewers had in beginning stages mention with minor revision with a following stamen which at a small duration streamlined by authors.

The comments related to this manuscript are enormously evident. This paper vindicates its objective very intensely. This paper very agreeably explains the as much as many aspects of micro finance and women empowerment. Authors in the paper justify the objective very correctly by giving appropriate and necessary information regarding the topic. The concept meaning and introduction is the main highpoint of this paper. Literature review of this paper elucidate past studies very commendably.

By and large all the editorial and reviewer's comments had been incorporated in a paper at the end and further the manuscript had been earmarked and decided under "View point research" category as it highlight the main concept of microfinance and micro entrepreneurship and the paper leaves a scope for further researches and studies.

### ABSTRACT

**Purpose:** The economic man who is an entrepreneur tries to enhance his revenues by new evolving ideas. These ideas involve analytic and investigative approach towards finding a solution to a problem and he gets contentment from using proficiencies in certain issues. More than seventy percent of Indian population are living in rural areas of which fifty percent are women. The country women might be assembled and possibly will prompt the country on the way to the advancement and success. The provincial women by all methods can be extremely viable specialists of progress for better homes, better society and at last for strong economy in the present worldwide situation. The purpose of the study is to bring previous research on women entrepreneurship from the past with the current models and explanations in this context.

**Approach:** The Library reasearch approach is being used to carry this study.

**Findings:** Women in pastoral areas oftentimes have prime obligation for agricultural production, additionally to internal household tasks. In Indian economy wherever monetary standing of women is terribly pitiable particularly in rustic areas and they have very less chances of earning money during this situation. The Self facilitating teams (SHGs) have sealed the manner for fiscal liberation of rustic womanhood.

**Originality/Value:** Through this study, we are trying to look for the prospects and trials which a rural woman, to be entrepreneur will have to face in the backward areas. It also inspects the effect on women authorization through small entrepreneurship development and SHGs. This paper also examines the schemes promoted by the government to empower women in pastoral and rustic areas and to what extent these rural women are availing these services.

**KEYWORDS** Empowerment | Micro Credit | Rural Entrepreneurship | SHGs | Entrepreneur

### \*Corresponding Author

<https://doi.org/10.18311/gjeis/2019>

Volume-11 | Issue-1 | Jan-Mar, 2019 | Online ISSN : 0975-1432 | Print ISSN : 0975-153X

Frequency : Quarterly, Published Since : 2009

©2019-20 GJEIS Published by Scholastic Seed Inc. and Karam Society, New Delhi, India. This is an open access article under the CC BY-NC-ND license (<http://creativecommons.org/licenses/by-nc-nd/4.0/>).





## Overview

Women are known to be undertaken with massive responsibilities, roles and tasks in present-day families, civilizations and nationwide matters which cannot be undermined. They are the major contributors to this economy which actually makes a huge difference in the lives of a human in all. They provide abundant concepts and a great deal of liveliness and capital resources to their societies, and create occupations as well as create additional work for traders and other spin-off business linkages (Iyiola and Azhu, 2014). In many evolving nations, due to the growing financial slump, subsequent loss of works for the men, women are creating magics by creating new jobs for people. They are able to do this by giving various ideas, concepts and designs by running micro enterprises. As a result, women have been known to sacrifice their lives for the survival of their families, amidst their reproductive function (Garba, 2011). With entrepreneurship, women are able to expand new horizons of economic prospects and contribute to inclusive development and in turn help in getting rid of poverty. (Daynard, 2015). "When a woman moves forward, the family moves, the village moves and the nation moves- Jawahar lal Nehru"

## What is Microfinance?

Microfinance is not a new concept for most of the people. It emerges as one of the notable substitutes for those people who are not given money by the traditional banks. These banks demand collateral security to which poor people were unable to provide. These formal lending institutions charge a very high rate of interest. Now the question arises- what they would do now? Do they won't have dreams to see? Don't they had any right to lead a normal life? Don't they have such right to raise their standard of living? Sukshma-Vitt or micro-finance give answer to all such questions. This is such a powerful and effective instrument which enables rustic people to raise their income bar standards of living too. People living in backward areas in India grieve from an excessive mar of creditworthiness and therefore are manipulated in

lending market by charging high rate of interest and not an easy access to financial market. They want to start their very small business-like selling milk, bidi making, weaving, carpet making, small grocery shop. For these businesses they want small amount of money for fulfilling their day to day needs. Not only they need funds for their small businesses but for meeting uncertain circumstances. So, the need for financial assistance is critical to lighten scarcity for steady financial evolution. The main aim of microfinance is to get rid of poverty. Through this paper, we are trying to study whether the people especially women are aware of these activities and programmes undertaken by government or not. Whether they are utilising these services for their self-growth and attainment of living and income standard.

## Women Entrepreneurship in India

Women Entrepreneurship preferstoanorganization started by a woman or a group of women. There has been a change in role of women because of growth in education, industrial enterprise, urban enterprise and awareness of democratic values.

### Industries promoted by Rural Women Entrepreneurs:

- Aggarbatti production
- Carpet weaving
- Embroidery
- Handicrafts
- Cooking Services
- Small Retail Shops
- Pickle Manufacturing
- Dairy shop
- Tailoring shop

There are various schemes also being promoted and initiated by government for the alleviating the status of rural people especially women. These are:

- Swarnjayanti Gram Swarozgar Yojana (SGSY)/ National Rural Livelihood Mission which is redesigned as National Rural Livelihood Mission was launched in 2011. This scheme basically promotes women empowerment.
- **Mahila E-Haat:** This scheme aids at the technical improvement in selling their products directly from their houses to consumer doorstep. This is an initiative taken by government to support rural women for attaining self-sufficiency. For this official also provide training programs from time to time.
- Support to Training and Employment Programme (STEP) for Women: Various awareness and training programmes have been organised under this system. The basic objective of this scheme is to upgrade the skills of women in the thing they want to get trained.
- Self-Employed Women's Association (SEWA): This is also the same kind of initiative taken as SEWA, a trade union registered in 1972. This organisation helps the low-income individuals to obtain self-reliance and employment.

## Women Empowerment through Microentrepreneurship

It has been reviewed from the literature that to some extent women is empowered. Women through this measure of entrepreneurship development enable themselves to enhance their self-sufficiency, increase in their decision-making power, thus able to increase their standing in the native and the world as well. The major role of Self-Help Groups are given importance with the help of which women started income generation programmes. This will not only generate income for them but also improve the decision-making capabilities that led to overall empowerment. The concept of Self-Help Groups

(SHGs) is proving to be a helpful instrument for the women empowerment. Involvement in pay creating events aids in the inclusive enablement of women. The SHGs had principal influence on societal and fiscal life of rustic women. It supports women rise in societal appreciation in family and society as well and thus in improvement in their standard of living. This paper also tries to signify the importance of women empowerment through some case studies:

- A lady who was suffered from abject poverty came out when she met with the field investigators of SHG. The people helped her a lot which empowers her to create a history for her. The facilitator made her aware regarding group formation, savings, coordination, and bank linkages. The idea seemed very interesting to her . With small savings she was able to purchase a buffalo with which she started her journey that transformed her life.
- In other village, where family was unable to manage their household finances came out with all the hurdles with help of SHG named Khushboo. Where husband was unable to manage even two meals of the day, wife decides to get associated with SHG . She borrowed a small amount of loan with which they were manage to open an electrical shop which transformed their life.
- A woman who belonged to Dalit community was associated with SHG named Nai Rah. Her husband gave divorce to her with which she was left with no option then to commit suicide. But when she met with Nai Rah facilitator, her life was changed completely. She managed to start her tailoring shop. She then also started giving training to new girls under her guidance.

## Objectives of The Study

The need of more women entrepreneurs has to be studied for two reasons, the first one is that women entrepreneurship is an important untouched source



of rural economic growth and the second reason is that the women entrepreneurs create new jobs for themselves and others.

The present study aims at fulfilling the following objectives.

1. To examine the status of microfinance in women empowerment.
2. To make them aware about the schemes for their empowerment.
3. To investigate the problems faced by women entrepreneurs in rural India.
4. To propose measures for uplifting the position of rustic women entrepreneurs.

## Research Methodology

Based on the foregoing discussion, this paper is aimed at exploring the linkage between financial inclusion and women entrepreneurship. Using a library research approach, the paper review both empirical and conceptual papers on microfinance and women entrepreneurship. Secondary data has been used to observe and correlate the views. It examines these two concepts as they affect the women entrepreneurship which helps them to contribute in human development as well.

## Difficulties Faced by Rustic Women Entrepreneurs

Rural women are the persons who are lacking with education, awareness about training and development programmes. These are also not entertained by traditional banks which enforce them to take help from Micro finance institutions and SHGs. They face many challenges and problems which is discussed here:

1. **Deficiency of awareness:** - In India rural women are lingering in the field of education even in new era. The largest part of the rural women are unskilled, not getting education because of

the male dominated society. The factors behind this are poverty, early marriage, low financial status etc. Absence of training is one of the real obstacles for rustic ladies who need to begin an undertaking.

2. **Gender inequality:** - In developing country like India, women are still treating as family supporters in terms of taking care of kids and other family members. They are not getting support even from their husbands to start their own business, to give a start to their new life, to give start to a new journey. They always have to beg for small-small things in rural areas. Real sense equality does not exist here. Decisions taken by them are always neglected. Male in rural areas are the only decision makers and taken granted that they would only become entrepreneurs. Thus, male entrepreneurs become create hurdles in the success of women entrepreneurs.
3. **Absence of social support:** - People in rural areas create obstacles in front of women to become an entrepreneur. On the name sake of customs, tradition, religion, people stop them to make money. They dominate these women and hamper them to become a successful woman.
4. **Financial Constraints:** - Traditional banks and financial institutions can only instruct to give loans and credit to literate people and who does have assets to put them as some security. These rural women have no option to left with taking help from the people who support them. They have to face many problems in raising funds. Moreover, initially they also not have any idea of business success. They are not much aware of the strategies being followed to make business a success.
5. **Technological constraints:** - In this era of technological disruption, the rural women who are not much literate can't able to use new technologies. In spite of getting training and development sessions, they are sometimes



lacking the awareness of how to use them. When market competition is too tough, these women are not using latest technologies with which they are being compared with male entrepreneurs.

6. **High Costs:** Due to the latest technology, these women are unable to bear the high costs which results in inefficient management and in turn early failure of business.
7. **Lack of confidence:** - SHGs and the micro financial institutions, in spite of giving timely sessions to these women are unable to count the number of women entrepreneurs in backward areas. The reason being the lack of self confidence in these women. The question arises as to how these women obtain confidence in them when all sides are going negative.
8. **Documentation work:** - Due to the documentation work in running a business, whether small or big, women find it difficult to run a business in smooth manner. Various legal formalities is required for running an enterprise because of the corrupt practices etc.
9. **Absence of proper education:** - These women were not did their education from traditional education giving organisations. They don't know about the strategies, planning, implementation, directing, organising etc. This technical qualification which is being needed to start even a small business is missing on their part.
10. **Absence of entrepreneurial aptitude:** - After several schemes and training programs supported by government bodies, women found it difficult to apply those strategies in their working. The reason being lack of entrepreneurial aptitude. Due to this , women entrepreneur are not getting that success as much as by urban entrepreneur. It is a key alarm for rustic women entrepreneurs.

## Suggestions or Measures to Uplift the Status of Women

In spite of various measures and initiatives taken by Government, some hitches are always there which create hindrances in the development of women folks. There are few measures for mounting up women entrepreneurship in India:

- **Basic amenities:** The very first thing rustic areas After i is to provide basic facilities like infrastructure, electricity, transport system. Though many times authorities had taken initiatives in this concern but due to one or other loophole in the system, they were unable to achieve that task.
- **Sound financial assistance and awareness:** The demand for financial assistance is not to be think from the end of traditional financial institutions like banks. As we all know that these institutions demand collateral security against any loan but these underprivileged people are not able to fulfil the demands of these prankers. Due to lack of awareness and confidence they hesitate to talk with officials. My suggestion is to give them personnel support so that they will be able to boost their confidence in proceeding with the task.
- **Technical assistance:** In order to make rural women technically sound, they will be provided with timely development programs.
- **Government Policies:** There are many schemes and policies which are taking initiates by government but awareness programmes would be provided to these women. They are not much literate to take initiatives to talk to the officials. Government must introduce and pass the act related with women employment. The government should also take action in providing much concessional loans to women entrepreneurs.



## Findings and Conclusion

Without participation of all working members, no economy can sustain itself. Though government has invented several mechanisms for the empowerment of rural women entrepreneurs but is again a daunting challenge for them. People in backward areas especially women faced lot many hindrances in availing the facilities or schemes provided by the government. Though we discussed many difficulties faced by rural women above, in spite we may still observed from the literature that women need to empower themselves in many ways. In fact, the people along with them need to empower themselves. It might be there in laws, parents, husband, or society. We always and only talk of women empowerment. My question is- Do women really need to empower or society first? We talk of equality but really, do we able to see it in our society? These people only create a hurdle in front of these women. They are self-capable to sustain themselves in a better and more efficient way. Actually question of empowerment don't arise here. The women who give birth to a life need not want any empowerment from these people.

The women will be given equal opportunities as that of a man. They will be encouraged and motivated in starting their own venture. They have that capability of creating that magic. Yes, of course. Women entrepreneur webs are key foundation of information about women's entrepreneurship and are progressively known as a treasured instrument for its progress and elevation. They will be given the right assistance with correct knowledge. The urge of an hour is to literate women in rural areas in order to educate and uplift them so that digital India would become empower India.

## References

- Garba, S. A.(2011).Stumbling Block for Women Entrepreneurship in Nigeria: How Risk Attitude and Lack of Capital Mitigates their Need for Business Expansion, European Journal of Economics, Finance and Administrative Sciences, Vol.36, Pp 38-49
- Journal of Management and Science, Vol. 1, No.1, Sep 2011, pp. 1-10.
- Sahab Singh, (2013) "A case study on empowerment of rural women through Micro entrepreneurship development". Vol 9,issue 6, pp123 - 125
- Iyiola, O. O.& Azuh, D. (2014). Women Entrepreneurs as Small-medium Enterprise (SME) Operators and their roles in Socio-economic Development in Ota, Nigeria. International Journal of Economics, Business and Finance (2,1),1 –10
- [https://www.researchgate.net/publication/301292818\\_exploring\\_the\\_link\\_between\\_financial\\_inclusion\\_and\\_women\\_entrepreneurship](https://www.researchgate.net/publication/301292818_exploring_the_link_between_financial_inclusion_and_women_entrepreneurship)
- [https://www.researchgate.net/publication/304024317\\_status\\_of\\_women\\_entrepreneurship\\_in\\_india](https://www.researchgate.net/publication/304024317_status_of_women_entrepreneurship_in_india)
- [http://www.ajms.co.in/sites/ajms2015/index.php/ajms/article/view/1837/pdf\\_45](http://www.ajms.co.in/sites/ajms2015/index.php/ajms/article/view/1837/pdf_45)
- Amuchie A. A and Asotibe N. P.(2015). Stimulating Women Potentials through Entrepreneurship for National Development in Nigeria. Journal of Poverty, Investment and Development, Vol. 8, pp. 89-3
- Arakeri Shanta, V. (2013).Women Entrepreneurship in India. National Monthly Referred Journal of Research in Arts & Education , 1-7.
- Akanksha, S. (2014).Women Entrepreneurs-A mirage of Indian Women. Lecturer, NGF College of Engineering & Technology, Palwal, India.
- Manjula Bolthajjira Chengappa. (2010) "Micro-Finance and Women Empowerment: Role of Non government Organizations". [http://www.istr.org/Abstracts2010/pdf/ISTR2010\\_0212.pdf](http://www.istr.org/Abstracts2010/pdf/ISTR2010_0212.pdf)
- K. Rajendran and R.P. Raya (2010) Impact of Micro Finance - An empirical Study on the Attitude of SHG Leaders in Vellore District (Tamil Nadu, India). 'Global Journal of Finance and Management'- ISSN 0975 - 6477 Volume 2, Number 1, pp. 59-68, [http://www.ripublication.com/gjfm/gjfmv2n1\\_5.pdf](http://www.ripublication.com/gjfm/gjfmv2n1_5.pdf)
- <http://www.wcd.nic.in/schemes-listing/2405>
- [http://www.rume-rural-microfinance.org/IMG/pdf\\_WP8.pdf](http://www.rume-rural-microfinance.org/IMG/pdf_WP8.pdf)
- Micromatters, A Sa-Dhan Initiative, June 2017
- Status of Micro Finance in India Report 2015-17 by NABARD.
- [http://businesstoday.intoday.in/story/union-budget-2015-16-mudra-for-microfinance\\_financial\\_inclusion/1/216368.html](http://businesstoday.intoday.in/story/union-budget-2015-16-mudra-for-microfinance_financial_inclusion/1/216368.html)
- [https://www.researchgate.net/publication/273778149\\_Empowering\\_women\\_entrepreneurs\\_through\\_Micro\\_finance\\_in\\_Jaffna\\_District\\_Challenges\\_and\\_Scenarios](https://www.researchgate.net/publication/273778149_Empowering_women_entrepreneurs_through_Micro_finance_in_Jaffna_District_Challenges_and_Scenarios)

**Blind Reviewers Comment**

This paper vindicates its objective very intensely. This paper very agreeably explains the as much as many aspects of micro finance and women empowerment. Authors in the paper justify the objective very correctly by giving appropriate and necessary information regarding the topic. The concept meaning and introduction is the main highpoint of this paper. Literature review of this paper elucidate past studies very commendably.

**GJEIS Prevent Plagiarism in Publication**

The Editorial Board had used the turnitin plagiarism [http://www.turnitin.com] tool to check the originality and further affixed the similarity index which is 6% in this case (See Annexure-I). Thus the reviewers and editors are of view to find it suitable to publish in this Volume-11, Issue-1, Jan-Mar, 2019

## Annexure 1

ORIGINALITY REPORT		
<b>12%</b>	<b>10%</b>	<b>2%</b>
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS
		<b>8%</b>
		STUDENT PAPERS
PRIMARY SOURCES		
<b>1</b>	eprints.covenantuniversity.edu.ng Internet Source	2%
<b>2</b>	Submitted to Shri Jagdishprasad Jhabarmal Tibrewala University Student Paper	2%
<b>3</b>	agieducation.org Internet Source	2%
<b>4</b>	bbamantra.com Internet Source	1%
<b>5</b>	prj.co.in Internet Source	1%
<b>6</b>	glbitm.org Internet Source	1%
<b>7</b>	Submitted to Pacific University Student Paper	1%
<b>8</b>	Submitted to Gujarat Technological University Student Paper	1%
<b>9</b>	www.admissionhelpline.co.in Internet Source	<1%
<b>10</b>	aiirjournal.com Internet Source	<1%
<b>11</b>	covenantuniversity.edu.ng Internet Source	<1%
<b>12</b>	shakespir.com Internet Source	<1%
<b>13</b>	Submitted to Institute of Technology, Nirma University Student Paper	<1%
<b>14</b>	planningcommission.nic.in Internet Source	<1%
<b>15</b>	Submitted to Higher Education Commission Pakistan Student Paper	<1%
<b>16</b>	Carne Moreno-Gavara, Ana Isabel Jiménez-Zarco, Sheriff A. O. Alabi. "Chapter 6 Challenges and Opportunities for Women Entrepreneurs", Springer Nature, 2019 Publication	<1%

**Citation**

Shivi Mittal, Vineet Sengar and Ankur Agarwal  
 "Micro entrepreneurship: The role of Microfinance and Entrepreneurship in empowering and elevating the status of rural women in India"  
 Volume-11, Issue-1, Jan-Mar, 2019. (www.gjeis.com)



Scholastic Seed Inc.

<https://doi.org/10.18311/gjeis/2019>

Volume-11, Issue-1, Jan-Mar, 2019

Online ISSN : 0975-1432, Print ISSN : 0975-153X

Frequency : Quarterly, Published Since : 2009

Google Citations: Since 2009

H-Index = 96

i10-Index: 964

Source: <https://scholar.google.co.in/citations?user=S47TtNkAAAAJ&hl=en>

Conflict of Interest: Author of a Paper had no conflict neither financially nor academically.