

Research Article

Rural Woman Entrepreneurs - Problems and Prospects with the Emphasis on Economic Empowerment with Reference to Andhra Pradesh

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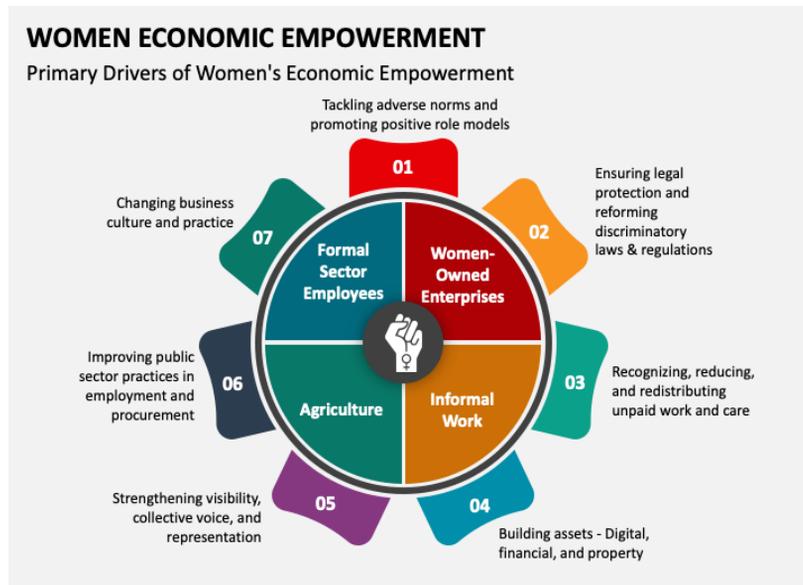
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Abstract: The economic empowerment of rural women entrepreneurs in Andhra Pradesh is pivotal for achieving sustainable development and addressing gender disparities. This paper examines the socio-economic dynamics influencing women entrepreneurs, their challenges, and the opportunities available through central and state government schemes. It highlights successful initiatives like SHG-linked financing, skill development programs, and digital literacy efforts. Additionally, the study explores innovative strategies, including e-commerce integration, rural business hubs, and sector-specific support in agriculture and crafts. By fostering an ecosystem of collaboration among governments, NGOs, and private stakeholders, this paper emphasizes unlocking the untapped potential of rural women entrepreneurs as catalysts for inclusive economic growth.

Keywords: Women Entrepreneurs, Rural Development, Economic development.

Introduction

Economic empowerment of women is a cornerstone of sustainable development, particularly in rural areas where gender disparities are pronounced. Rural women entrepreneurs in Andhra Pradesh, a state with a rich agrarian and cultural heritage, have demonstrated resilience and innovation despite limited resources. This paper explores the socio-economic dynamics influencing rural women entrepreneurs and identifies pathways for overcoming barriers to their economic participation.



Background of Rural Women Entrepreneurs in Andhra Pradesh

Andhra Pradesh, with its predominantly agrarian economy and rich cultural heritage, offers a unique landscape for rural women entrepreneurs. Women in rural areas significantly contribute as laborers, artisans, and small-scale entrepreneurs across sectors such as agriculture, dairy farming, handicrafts, food processing, and tailoring. Despite these contributions, women often face barriers such as limited access to financial resources, skill development opportunities, and market linkages.

As of 2024, government initiatives have increasingly focused on empowering rural women entrepreneurs. Central schemes like Mudra Yojana for Women, Stand-Up India, and Mahila Udyam Nidhi provide financial support and skill development. At the state level, Andhra Pradesh has implemented impactful programs such as YSR Aasara, YSR Sunna Vaddi, and Chandranna Cheyutha, which focus on financial inclusion, interest-free loans, and capacity building for women-led enterprises.

Self-Help Groups (SHGs) have played a pivotal role in fostering entrepreneurship by facilitating microfinance access and community-based support. Additionally, digital transformation and e-commerce platforms have enabled rural women to reach broader markets, enhancing their economic potential.

The resilience and innovation demonstrated by rural women entrepreneurs in Andhra Pradesh underscore their critical role in driving socio-economic development, despite challenges like gender norms, infrastructural deficits, and financial barriers

Here are some notable programs:

In this paper I want to include some of the Latest Women empowering Programmes given in INDIA BUDGET 2025-2026 Presented by Union Finance Minister Nirmala Seetharaman Key Insights Related to Women's Empowerment and Entrepreneurship:

1. **Financial Inclusion and Access to Credit:** Several schemes across different ministries explicitly target women's financial empowerment.
 - o **Mudra Yojana for Women:** The document mentions loans up to ₹10 lakh, which is significant for small and micro-enterprises. The tiered approach (Shishu, Kishore, Tarun) is a good idea for catering to different stages of business development, however the effectiveness needs to be studied.
 - o **Stand-Up India Scheme:** Mandating at least one woman borrower per bank branch is a significant step towards financial inclusion.

- o **Self-Help Groups (SHGs):** Although not a specific scheme outlined in this document, these are mentioned as important enablers of microfinance. There should be greater access to these types of schemes for maximum outreach.
 - o **Modified Interest Subvention Scheme (MISS):** This scheme focuses on provision of interest subvention to women entrepreneurs. Analysis should be undertaken to ascertain if it is meeting its goals.
1. **Skill Development and Training:** There's a clear focus on skill development, acknowledging the need to enhance women's employability and entrepreneurial capabilities.
 - o **National Skill Development Corporation (NSDC) Training:** It targets areas such as information technology, food processing, and handicrafts. These are relevant to traditional and emerging sectors. Specific training programs should be devised keeping in mind different geographies and the needs of women entrepreneurs in these regions.
 - o **State-level schemes (Andhra Pradesh):** Several Andhra Pradesh programs have a component of skill development and capacity building.
 - o **Rashtriya Krishi Vikas Yojana (CSS):** The scheme aims to enhance agriculture entrepreneurship in potential states with relevant trainings provided to women entrepreneurs.
 - o **Insight:** Skill development is recognized as a key driver of women's economic advancement. However, there is a need to ensure that training is relevant to market needs, gender-sensitive, and reaches women from diverse backgrounds.
 2. **Sector-Specific Interventions:** The document shows an effort to provide support to specific sectors where women play a crucial role.
 - o **Agriculture and Allied Sectors:** Dena Shakti Scheme aims to give loans to women entrepreneurs in agriculture and other sectors.
 - o **Handicrafts and Textiles:** The e-bazaar schemes aim to empower women in the sale of handicrafts and textiles.
 - o **Dairy:** Support for dairy farming is noted as a means of achieving economic independence for women (case study).
 - o **Insight:** There is a move towards tailored solutions by supporting sectors where women have demonstrated skills and potential. This should be further expanded to other sectors with relevant targeted approaches.
 3. **Market Access:** The government aims to connect women to broader markets through e-commerce and online marketplaces.
 - o **e-Bazaar and Market Linkage Support:** The scheme in Andhra Pradesh focuses on connecting women entrepreneurs to online and offline marketplaces, mainly in textiles, handicrafts, and agriculture-based industries.
 - o **WE-Hub Andhra Pradesh:** While this mentions a women focused incubation centers which is a great concept, the effectiveness of this initiative needs to be examined.
 - o **Insight:** Recognizing that women have an issue with reaching broader markets, the government recognizes that digital inclusion and market access to e-commerce platforms needs to be addressed.
 4. **Support for Social Enterprises and Cooperatives:** There is an attempt to promote collective entrepreneurship models.
 - o **Strengthening SHGs and Cooperative Societies:** SHGs are consistently seen as a vehicle for supporting women's entrepreneurship, this needs more in depth examination.

- o **Uppada Weavers:** The study shows how access to government schemes and leveraging of digital platforms can help women.
 - o **Insight:** These models offer a way for women to work together, pool resources, and navigate market challenges collectively. There should be an indepth assessment of successful co-operatives and a blueprint for replication.
1. **Infrastructural Development:** There are a few measures mentioned to support infrastructure building.
 - o **Women Entrepreneurs' Parks:** Industrial parks are being established exclusively for women entrepreneurs. This could promote collaboration and growth in a supportive environment.
 - o **MSME Support and Promotion:** These schemes provide interest subsidies, land allocations and skill development programmes for MSME.
 - o **Insight:** Improving physical infrastructure can address a major barrier for women's businesses. The impact of these initiatives needs to be examined for efficacy and access.

Based on Previous Data (Before 1st Feb, 2025- BUDGET) The schemes Include

I. Central Government Schemes:

1. **Mudra Yojana for Women:** This scheme provides loans up to ₹10 lakh to women entrepreneurs under three categories: Shishu (up to ₹50,000), Kishore (₹50,000 to ₹5 lakh), and Tarun (₹5 lakh to ₹10 lakh). It aims to support small and micro enterprises.
2. **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.
3. **Mahila Udyam Nidhi Scheme:** Offered by the Small Industries Development Bank of India (SIDBI), this scheme provides financial assistance up to ₹10 lakh to set up new small-scale ventures or for the modernization of existing projects.
4. **Dena Shakti Scheme:** Provides loans up to ₹20 lakh for women entrepreneurs in agriculture, manufacturing, micro-credit, retail stores, or similar small enterprises, with a concession of 0.25% on the rate of interest.
5. **Udyogini Scheme:** Offers loans up to ₹1 lakh to women entrepreneurs aged between 18 and 45 involved in agriculture, retail, and similar small businesses. There are specific income criteria and subsidies for certain categories.

II. i) Andhra Pradesh State Government Schemes Government (2024):

(Present & Previous) During the tenure of N. Chandrababu Naidu as Chief Minister of Andhra Pradesh, his administration introduced several schemes and initiatives aimed at empowering women, including specific programs for women entrepreneurs. Here's a list of Previous and present key schemes that impacted women entrepreneurs:

1. DWCRA (Development of Women and Children in Rural Areas) Groups Empowerment

- Strengthened Self-Help Groups (SHGs) and provided financial assistance to encourage small business initiatives by women.
- Linked SHGs to banks for easy access to loans under the Pavala Vaddi Scheme (interest subsidies on loans).

2. Chandranna Cheyutha

- Provided financial support to women entrepreneurs from marginalized sections.
- Offered subsidies and loans to women to start micro-enterprises or expand existing businesses.

3. Pasupu Kumkuma

- A scheme targeting women from SHGs by providing direct financial assistance and incentives.

- The funds could be used for entrepreneurial activities, personal development, or education.

4. Abhaya Hastam

- A pension-cum-insurance scheme for women in SHGs.
- Though primarily a welfare initiative, it also helped provide financial security, enabling women to take calculated risks in entrepreneurship.

5. Chandranna Sanchara Chikitsa

- While primarily a healthcare initiative, it supported women entrepreneurs in the health sector by offering opportunities to partner with the government.

6. MSME Support and Promotion

- Under his administration, special incentives were provided to women entrepreneurs in the MSME sector, including:
 - o Interest subsidies for loans.
 - o Land allocations at subsidized rates in industrial parks.
 - o Skill development and training programs.

7. e-Bazaar and Market Linkage Support

- Focused on connecting women entrepreneurs to online and offline marketplaces to enhance sales and visibility of their products, especially for those in handicrafts, textiles, and agriculture-based industries.

8. Skill Development and Training Programs

- Collaborated with national-level organizations like the National Skill Development Corporation (NSDC) to provide specialized training for women entrepreneurs in areas like:
 - o Information technology.
 - o Food processing.
 - o Handicrafts and textiles.

9. Women Entrepreneurs' Parks

- Established industrial parks exclusively for women entrepreneurs to foster collaboration and growth in a supportive environment.

10. Loans through MEPMA (Mission for Elimination of Poverty in Municipal Areas)

- Facilitated loans to urban women entrepreneurs to set up micro and small enterprises.

11. WE-Hub Andhra Pradesh

- A precursor to women-focused incubation centers, inspired by models like Telangana's WE-Hub, providing mentorship, funding, and networking opportunities.

ii) Andhra Pradesh State Government Schemes Previous Government:

During the tenure of former Chief Minister Y.S. Jagan Mohan Reddy, the Andhra Pradesh government introduced several schemes aimed at empowering women entrepreneurs by providing financial assistance, skill development, and support for business establishment and expansion. Here are the key schemes along with their details:

1. **YSR Aasara:** Launched to uplift rural and urban women of Self-Help Groups (SHGs) by clearing their existing bank loans and supporting them in production, manufacturing, and marketing of their future establishments.
2. **YSR Sunna Vaddi:** A welfare program aimed at assisting women from SHGs by providing zero-interest loans to enhance their financial stability and entrepreneurial activities.
3. **YSR Zero Interest Loan Scheme:** Provides interest-free loans to women who are part of self-help groups and societies in Andhra Pradesh, enabling them to pursue entrepreneurial activities without the burden of interest payments.

4. **Jagananna Thodu Scheme:** Offers financial assistance of ₹10,000 to street vendors, including women, to support their small businesses and enhance their livelihoods.

These schemes are designed to empower women entrepreneurs by providing financial assistance, skill development, and support for business establishment and expansion.

Challenges Faced by Rural Women Entrepreneurs

1. **Financial Barriers:**

- o Limited access to credit and financial services.
- o High-interest rates on informal loans.
- o Lack of collateral for securing formal loans.

2. **Education and Skill Development:**

- o Low literacy rates among rural women.
- o Inadequate vocational training programs.
- o Limited exposure to business management practices.

3. **Social and Cultural Constraints:**

- o Prevailing gender biases and patriarchal norms.
- o Restricted mobility and decision-making power.
- o Burden of household responsibilities.

4. **Infrastructural Deficits:**

- o Poor connectivity and lack of digital infrastructure.
- o Insufficient market linkages for products.
- o Lack of access to modern tools and technology.

5. **Legal and Bureaucratic Hurdles:**

- o Complex regulatory frameworks.
- o Limited awareness of government schemes and legal rights.

Prospects for Rural Women Entrepreneurs

Despite the challenges, rural women entrepreneurs in Andhra Pradesh hold significant potential for driving economic growth. Key areas of opportunity include:

1. **Government Support:**

- o Enhanced access to microfinance through self-help groups (SHGs).
- o Subsidies and incentives under state and central government programs.

2. **Digital Revolution:**

- o Use of e-commerce platforms to reach wider markets.
- o Digital literacy programs enabling online business operations.

3. **Skill Development Initiatives:**

- o Tailored vocational training programs.
- o Industry partnerships for on-the-job training.

4. **Market Expansion:**

- o Development of rural hubs and clusters for product aggregation.
- o Participation in trade fairs and exhibitions.

5. **Social Enterprises and Cooperatives:**

- o Promoting collective entrepreneurship models.
- o Strengthening SHGs and cooperative societies.

Case Studies

1. **The Uppada Weavers:** Uppada, a coastal village in Andhra Pradesh, is known for its traditional handloom sarees. Women entrepreneurs have preserved this craft by forming cooperatives, accessing government schemes, and leveraging digital platforms for marketing.

2. **Dairy Farming Initiatives:** Rural women in Guntur district have achieved economic independence through dairy farming supported by the Andhra Pradesh Dairy Development Cooperative Federation (APDDCF).

Here are some Suitable Strategies for addressing the problems and prospects of rural women entrepreneurs in Andhra Pradesh, with an emphasis on economic empowerment

1. Skill Development and Training Programs

- **Conduct Tailored Skill Development Workshops:** Organize training programs in areas like handicrafts, tailoring, food processing, and modern farming techniques.
- **Digital and Financial Literacy:** Provide training on digital tools and financial management to enhance their decision-making capabilities.
- **Capacity Building Initiatives:** Collaborate with educational institutions and NGOs to design programs addressing entrepreneurial skills.

2. Access to Finance

- **Simplify Loan Processes:** Provide easy and collateral-free access to microloans and credit through public and private financial institutions.
- **Subsidized Interest Rates:** Offer loans at subsidized interest rates under government schemes like YSR Cheyutha or MUDRA.
- **Promote SHG-Bank Linkages:** Strengthen Self-Help Groups (SHGs) to facilitate collective financing.

3. Market Access and Infrastructure Development

- **Develop Rural Hubs:** Establish rural business hubs to provide market linkages for women entrepreneurs.
- **E-Commerce Platforms:** Promote the use of e-commerce platforms and digital marketplaces to sell products nationally and internationally.
- **Rural Business Incubators:** Set up incubation centers to provide mentorship, workspace, and resources.

4. Government Policies and Schemes

- **Enhanced Awareness Campaigns:** Create awareness about existing government schemes like PMEGP, Stand-Up India, and Startup India tailored to women.
- **Policy Refinement:** Formulate policies addressing specific challenges faced by rural women, such as lack of mobility, low literacy, and cultural barriers.
- **Incentivize Participation:** Introduce tax benefits or subsidies for businesses owned by women in rural areas.

5. Networking and Collaboration

- **Promote Women Entrepreneur Networks:** Facilitate networking events and forums for knowledge sharing and collaboration among women entrepreneurs.
- **Public-Private Partnerships:** Encourage partnerships between government, private sector, and NGOs to create a supportive ecosystem.
- **Mentorship Programs:** Connect rural women with successful entrepreneurs for guidance and inspiration.

6. Awareness and Advocacy

- **Community-Based Initiatives:** Organize awareness programs to challenge stereotypes and encourage families to support women entrepreneurs.
- **Recognition and Awards:** Acknowledge successful rural women entrepreneurs at district and state levels to inspire others.
- **Media Campaigns:** Use mass media to highlight success stories and the importance of women's economic empowerment

7. Technological Integration

- Digital Tools for Business: Provide access to mobile apps and software for inventory management, marketing, and communication.
- Technology Training Centers: Set up centers to train women in using technology for business purposes.
- Internet Connectivity: Ensure affordable and reliable internet access in rural areas to support online businesses.

8. Social and Cultural Support

- Childcare Facilities: Establish childcare centers to help women balance work and family responsibilities.
- Encourage Male Involvement: Promote initiatives that engage men in supporting women's entrepreneurial efforts.
- Flexible Work Models: Develop policies for work-from-home and flexible working hours suited to rural settings.

9. Sector-Specific Strategies

- Agriculture-Based Ventures: Support women in agro-based enterprises, such as organic farming and dairy farming.
- Craft and Handloom Development: Promote local crafts through branding, marketing, and international tie-ups.
- Service Sector Opportunities: Encourage ventures like tailoring, beauty parlors, and catering, which are popular among rural women.

10. Monitoring and Evaluation

- Impact Assessments: Regularly assess the impact of interventions to identify gaps and improve strategies.
- Feedback Mechanisms: Establish platforms for rural women to provide feedback on policies and programs.
- Data Collection: Collect gender-disaggregated data to inform policy decisions.

By implementing these strategies, the government, NGOs, and private stakeholders can empower rural women entrepreneurs in Andhra Pradesh, addressing their challenges and unlocking their economic potential.

Conclusion

Empowering rural women entrepreneurs in Andhra Pradesh is not just an economic necessity, but a moral imperative for creating a more inclusive and equitable society. While these entrepreneurs face substantial challenges—financial constraints, limited access to education, socio-cultural biases, and infrastructural deficiencies—their resilience and innovative spirit are a source of immense potential. Our analysis has shown that targeted interventions, including robust skill development programs, enhanced access to financial services, effective market linkages, and supportive governmental policies, can unlock this potential.

The shift towards digitalization and e-commerce presents unprecedented opportunities, and harnessing these technologies can significantly expand their reach and profitability. However, this must be accompanied by an integrated approach that addresses systemic barriers, including low literacy rates and social prejudices. The crucial role of SHGs as a catalyst for collective empowerment cannot be overstated, and these should be further strengthened through robust bank linkages and capacity-building programs. The collaborative effort of governments, NGOs, the private sector, and community members is essential to creating a nurturing ecosystem that enables rural women entrepreneurs to thrive. Ultimately, their success translates into economic growth, poverty reduction, and social progress, positioning

women not as passive recipients of aid but as active agents of change in Andhra Pradesh and beyond.

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