Chapter VI

CONCLUSION AND SUGGESTIONS

(i) CONCLUSION

Ever since its inception in Jan, 1980, RIICO has been doing very commendable work and its performance has received applause from all sorts of people. So far, it has played a significant role in the industrial development of Rajasthan and so expected to bring about a rapid and all round industrial development of the state in near future. Prior to 1980, it was named RIMDC, and besides industrial development, it was also responsible for mineral development. In November 1979, mineral development was assigned to a separate organisation, named Rajasthan State Mineral Development Corporation limited and the industrial development of the state is now the sole responsibility of the RIICO.

It started not only financing prospective industrial units in the private sector, but also. Encouraged the private sector in establishing industrial units in collaboration with itself (i.e. RIICO). Joint sector was made popular in the state by the corporation. The multi-pronged over sought made by RIICO on the age-old back wardners of Rajasthan, has started yielding positive results. The area, steeped in object poverty, are now with nessing a commendable growth of Industries following the development of infrastructure and provision of package of assistance from this organisation. As a result of this, Rajasthan the second largest state in the country has started during large and medium scale investors from far off places. It is premature to forecast the gains which would be emerging only towards the end of the present decade in the field of industrialization. However, it is certain that the place has been set by RIICO and new projects are going to have a smooth flow. There are vast potentialities for industrialization in the state.

Looking to the rich mineral resources lives stocks and agricultural produce and availability of land, water and power, its achievement in the field of infrastructure development is just a drop in the ocean. Industrialization while has taken place so far is only centered around the urban and semi urban areas. In mineral resources, Rajasthan, is next to Bihar and inland area, it is next to MP in the country. The vast stretches of rural areas tribal areas, desert areas and the Rajasthan. Canal Project areas are still unexpressed in Industrial fields. The possibilities of future industrialization in the urban
areas/semi urban areas and industrialization in the so far neglected areas are immense. The role of RIICO in the industrialization of the state is that of a catalytic agent. With this in view, RIICO has laid down a clear cut policy identification of growth centers and development of industrial area/states.

RIICO is the apex organisation in Rajasthan. fostering the growth of industrialization in the state. Broadly, the activities of RIICO include Extending financial assistance to small, large and medium scale projects making available industrial land; and providing a variety of technical inputs, by way of technological and managerial services; like relevant technical information, project briefs, project profiles, project reports, techno economic feasibility reports, market surveys, financial and managerial consultancy and even diagnostic studies for projects rehabilitation.

**Financial assistance**

- Project loan
- Equipment finance scheme (EFS)
- Working Capital term loan
- Multipurpose medium term loan for good borrowers
- Hotels & tourism related activities - heritage hotels, midways, motels, restaurant, amusement parks etc.
- Flexi loan for hotels; Hospitals
- Credit scheme for builders
- Incentive Scheme for good borrowers.
- Medium term loan against securitization affixed assets.

**Professional Approach**

RIICO is a group of professional executives, mostly, engineers, represent different disciplines. They operate as the vanguard to interact with investors and business, mostly do personal contract and discussion. often at the doorsteps of entrepreneurs. RIICO provides term loan assistance to industrial, infrastructure and commercial projects such as manufacturing, service establishment, bridges, roads, flyovers, power plants, multiplexes, commercial complexes, cinema halls etc. Assistance is also provided for expansion, modernization & diversification etc.

RIICO has been authorised to initiate proceedings for acquisition / allotment of put and government land respectively in the areas for which survey has been conducted and sufficient potential for development of industrial area is reported. The corporation is
also acquiring land for large scale units outside the industrial area. For selection of industries, the corporation is providing technical consultancy, the facility of data bank. The corporation has prepared a district wise digest where resource based industries has been identified.

Moreover, a number of feasibility reports and project profiles on selected items have also been prepared through reputed consultants which are made available on nominal charges to the prospective entrepreneurs and women entrepreneurs. The corporation has not laid down any hard and fast guidelines for the selection of women entrepreneurs. However, through scrutiny is made before the allotment. The project report and technical know-how, financial sources of the entrepreneurs. Encourage weaker section of society to set industrial units, the corporation is giving incentive in form of 50% concession in the rate of development to SC & ST entrepreneurs. also RIICO is Providing 25% land rebate to develop women entrepreneurs previously it was 10% this clearly indicate that RIICO want to promote women entrepreneurs.

To retrospect the last 10 years of infrastructure development has been a time of 'trails and tribulations for RIICO. This activity has grown with the time and now it can claim to be self sufficient. Today, awakening among women due to a number of reasons, as its felt all over the world in almost all spheres of life and in particular in undertaking a business venture. Today describing women, as weaker section is almost a myth, as their participation has increased manifold, irrespective in the field with a given opportunity, giving good results by women is evidence enough starting from education, where they have not only excelled but have become top scorers. Even in offices and industry they have performed exceptionally well. This proves their capabilities to venture out in business activities too. It is therefore, encouragement of the growing intensity of motivation among educated women coming in the entrepreneurial stream and support them with scientifically designed package of technical and financial assistance.

Even policy makers felt that women empowerment in society is a crucial factor for economic independence, of society, and it could only be through women entrepreneurship. Women entrepreneurship is a powerful vehicle to transform the status from poor to rich. The emergence of women on the economic scene as entrepreneurs is a significant development in the emancipation of women and securing them a place in the society, which they have long deserved. The hidden entrepreneurial potentials of women have gradually been changing with the growing sensitivity to the role and economic
status in society. In recent time, women are increasingly becoming conscious of their existence, their rights and work situations, and yet the women from the middle class strata have accepted their role and are often ready to alter for fear of social backlash. Today women entrepreneurs represent a group of women to run organized enterprises have their own confidence and faith in their own skill and knowledge and talents with a compelling desire of wanting to do something positive. What makes their arrival as well as achievements even more significant and commendable are the struggles they have to put up, frustrations they have to overcome to emerge as entrepreneurs at the early stage and subsequently to achieve success, in business at a later stage by managing and running their enterprises.

"When women move forward, the family moves, the village moves" these words of Pandit Jawaharlal Nehru are often repeated because it is an accepted fact that only when women are in the mainstream of progress, can any economic and social development be meaningful. For a long time the contributions, attributes and needs of women entrepreneurs of self made women, went unnoticed, unexamined and the subject of deafening silence, socialized expectations of the roles that women fulfill and the corresponding antipathy towards women who exercise power and step beyond those roles, the inequitable burdens upon women as to unpaid work, the masculization of language, normative standards, and many analytical models that are applied to business generally and entrepreneurship specifically, and other circumstances have under claim and worked to perpetuate this silence.

Since the 1970's, there has been a growing interest in the entrepreneurial activity of women in the world as a result of the great growth in business start-ups by women, and based on the assumption that women encounter difficulties in starting and operating a business that are different from those faced by men. Women entrepreneurs have been identified as a major force for innovation and job creation."² Even though entrepreneurship has become one of the fastest growing fields of research over the past, decades, there is no single generally accepted definition of its meaning, and the term has been used in many research studies with varying variety of definition. The problem becomes more complex when dealing with research that is conducted in different languages and in different contexts, where there might not be a direct translations for the term used. In women entrepreneurship studies, there is no single generally accepted definition of what an entrepreneur is. The definition of a woman entrepreneur varies
from one research study to the other, and the various studies of entrepreneurs specifically women entrepreneurs, do not exhaustively analyze the different criteria related to the definition of a woman entrepreneur.

Most studies on women entrepreneurs were focused on the individual. The initial studies were devoted to learning about the background and organizational characteristics of women's enterprises. However, most recent studies consider wider research on the problems faced by women entrepreneurs, their administrative practices, perceptions of women as administrators, their enterprises and family roles, and the vision they have for their enterprises. Methodologically most, studies are based on surveys and case studies, which are mainly descriptive and use available samples since there are no database on women entrepreneurs, and they frequently do not associate research with theory. Other methodological issues include the lack of instrument validation, the existence of a sole source of information, a tendency to generalize behavior and characteristics among different types of women (women who create new enterprises, women who take charge of their business.

Studying women entrepreneurs in the present era is not only important, because they are females, but more so in a backward state of Rajasthan prior to which two decades was considered backward compared to other states. Women were confined to the four walls of the home. Today this myth which is shattered. This study has gained importance from individual entrepreneurs at the micro level and the macro level, it is a contribution of women entrepreneurs in the state. It has also made an attempt to highlight about the schemes, functioning, concessions, assistance for backward regions for creating awareness among women entrepreneurs. It will help in the promotion of knowledge as well finding of problems so, that the efficiency of RIICO and RFC will enhance it. It will also suggest to the Government how to remove delay, hurdles and redtapism.

Women entrepreneur may be defined as a women or a group of women who intimate initiate, organise and operate a business enterprise. Shumpeter has very rightly observed an entrepreneur is an innovating individual who introduces something new into the economy. However such innovators are rarely found in the underdeveloped countries. Any woman or a group of women which innovates, initiates indicates or adapts an activity may be called women entrepreneurship. This study was
undertaken to highlight how the RIICO and RFC have been contributing in the development of Rajasthan especially in districts of Jaipur region. RIICO plays the role of providing land, loans and technical and other help that is required in the promotion of women as entrepreneurs.

The study was undertaken with an aim to undertake an indepth and detailed study of women entrepreneur and what is their contribution in the field, which was once considered a male bastion, even today, it is believed that men make better businessmen. The reason given is that they (men) are not only physically stronger but can move to areas where women cannot go. Today women are mobile, but their mobility is restricted to certain and some areas. This is possible only if they get male support, which is subject to places and family situations.

This clearly indicates that women entrepreneurs are in no way inferior in the field they have taken up, all they need is the financial assistance and family support and encouragement. Women entrepreneurs in Rajasthan have had a good head start, in the sense that the RIICO and RFC, have been a big tug help to them not only in financing their business, but also in giving them land to start their entrepreneur business.

The state government has also shown keen interest in women's participation in business ventures, by disbursing loan benefits to them as well as giving them incentives to develop their ventures. Women are awarded for their achievements by the government. The government is also aware, that women need entrepreneurial skills, and for this the government holds training programmes for them. Melas (fairs) and exhibitions are held at the government held land where women are not only given benefits, but even concessions to display and sell their wares. It could be said to be a launching ground for them to display their products to masses. Women entrepreneurs today have cut across the barriers of their purdah and homes and have come out for business ventures. They are now prepared to learn the nitty gritty of business, even if it means leaving home for a short span to go and be trained for business, or to have a field study of how women are working in various fields in other cities, towns or even rural areas. They visit trade fairs when held at Delhi or even abroad, because they know that they are not only going on a visit but are going to learn from these exposures.

Women entrepreneurs once they are established, they in turn employ other women, thereby creating jobs for women. It is important to keep in mind that semiliterate
women, who started papad and pickle making on a very small scale, once they picked up the business these entrepreneurs employed women in their business, thereby not only becoming economically independent, but even gave employment to women.

Women who are business owners and run their business as administrators, they take risks and invest, and create business as entrepreneurs, women who are self employed but also generate employment for other people and are also employees, in their own business, their goal is to obtain profit and make their own business grow from owners of small business created mainly to achieve personal goals and fulfil family needs.

After conducting a field study where women in Rajasthan have undertaken entrepreneurial ventures. It was found that educated and semi literate women could read and understand the terms and conditions given to them, but an amazing fact is that those illiterate women who have also taken loans or land from the RFC and RIICO are smart and can understand the practical implications. If some where they are in doubt or have not understood the plan, they seek the assistance of either a family member who is literate enough to explain the term of loans, otherwise they seek help from some one who they can trust.

To know the unknown facts, things and objects is the inherent tendency of human being. Therefore some technique and tools were used to identify the problems and what viable solutions could be given for it. Basically for this study a descriptive research design was adopted. The sample size and unit selected from the population for the purpose of investigation. The particular study was carried out in the state of Rajasthan as it was not possible to cover the area of the state, so one district Jaipur was choosen.

A few women entrepreneurs were interviewed and on the basis of the findings, we have found that women of the 21st century in Rajasthan are eager to come out as entrepreneurs take up new ventures. They feel that taking up business which was not in the family, is a challenge to them and women want to undertake, these chances. Risk factor is not so much as it was earlier, with women who felt that they are not only going into an economic loss, but would prove that women are not so good in business. They work with grit to show that they are here to be an entrepreneur and to stay.

With the coming of technology many women may not be techno-savy, but the present generation of women are now opting for information technology, computer and
software skills. These women will not only be an asset to female entrepreneurs, but they themselves will branch out on an entrepreneurial business in these fields. It is not an exaggeration but a belief that in the coming decade women will be shoulder to shoulder with men in this field.

Entrepreneurship is not just going to be a male's dominion. This trend has emerged from the fact that, today in the hospitality sector women who were once confined to the purdah system have come to the forefront. Big hotels are being run by them from their ancestral havelis and forts. The case of Jyotika Diggi who runs a successful business along with her husband. The literature festival is a feather in their cap, which is held every year in the month of January. People not only from India but even abroad gather here. The rich culture of Rajasthan is displayed by its food art culture or even tourism.

Chavi Rajaswat who is a sarpanch has ventured into hotel business and she has asked for land where she intends starting her own coffee shop at present, she is not only the Tupperware ambassador, but also encouraging the women empowerment cause. In the city of Jaipur there are a number of women who have converted their ancestors property into hotels, they manage it from decor, food and staff, they work shoulder to shoulder with their husbands. These women in turn employ women for household jobs, thus they generate employment.

Another entrepreneurial venture are beauty parlors, boutiques where women are doing well in both these ventures. Beauty parlours today are a big business which employed not only women but even men. Some beauticians have also started manufacturing beauty products which is also an industry. Boutiques are also run by women, who produce various sets of garments, even stiching of garments. They again employ women as well as men.

Private nursing homes are also run by a few women, who have medicos in the family or support of doctors. They again employ both women as well as men. These are the new trends that have emerged from women entrepreneurs. May be in a decade or two they might move to the information technology sector too. After presenting conclusion on the basis of the study, its important to first and foremost, discuss some problems faced by women entrepreneur and then present suggestions. Some of the problems that women entrepreneurs are first and foremost shortage of finance, women
and small financers always suffer from inadequate financial resources and working capital. They cannot get funds and they don't have tangible security and credit in the market. The complicated procedure of bank loans and delay in obtaining the loans, at time deter many women from venturing. Even banks discourage women from borrowing from banks as they believe that if they are not successful in their business, they will leave their business and become housewives.

As mentioned in the earlier chapters, women are at the mercy of middle men, who make a large profit though it's a known fact that these middle men make a large profit, yet women have to depend on them as women cannot run around nor are they efficient to capture the market, and give publicity to their goods. Thus they have to accept this necessary evil of middle ones.

Procuring raw material is another problem for females. It will be seen that whether its cottage industry or any other one, getting raw material becomes a problem as such their work is delayed and their business suffers. From this emerges the stiff competition from their male counterparts they can not stand up to this competition or rather cut throat competition in the market. This not only brings a liquidation in their business, but at times ends up in their business winding up.

Some women entrepreneurs have a lack of education or no education at all; Thus they at times get cheated by customers or the persons whom they impose trust in. Therefore they are not efficient to meet their business requisites. Women's first and primary role is to be a home maker, care for the children and in-laws. This leaves her with very little time for her business, and at the same time she even feels that she has very little energy left to put her heart and soul in the business. Thus economic development drops and she is unable to compete with the men entrepreneurs. From this stems the male dominated society we live in, men can tolerate women in business, but the movement they hit the glass ceiling as successful business women, then the male ego is clearly seen and at times the women have to succumb to male ago.

Finally women lack information and experience, which makes it difficult for them to select technology, market and location, it is also difficult for them to tackle problems related to finance and labour. Thus we see that women have ventured as entrepreneurs, but they have to withstand certain problems too. Therefore the
government of Rajasthan as well as some N.G.O's should promote some schemes for them.

The suggestions come in the way that government should provide or give access to them in the form of capital, infrastructure and markets, as we have come across in this research that capital and infrastructure are the greatest stumbling blocks for them. Another field where women entrepreneurs falter is that management skills and production capabilities should be taught to them, because it is at this juncture that they have to depend on gents which at times is detrimental to their business venture from this is a correlated system of investment opportunities, it is a well known fact that money begets money hence when men start with a very small business they put their profits in investments which gives them a better return, here female entrepreneurs lag behind, as they are not so sharp in investment, and thus loose this opportunity. Mention has been made where women participate in trade fairs, exhibitions, holding conferences and arranging buying and selling, here women who come from influent back-ground and can participate in these programmes on their own, but medium and small scale women entrepreneurs do not have this exposure so its for the government and other NGO's to come to their assistance.

Lobbying for women entrepreneurs in press, parliament, state legislatures and other forums even advocating an effective place for giving them a rightful place in the Indian economy. If all these suggestion are really going to be effectively or implemented, its a silver lining for the women entrepreneurs in Rajasthan as well as in India. Women's income in the family is essential and important for the economic and educational upliftment of the family, women in small business and micro enterprises have become a strong driving force in today's major concern for women empowerment. Their main aim is get monetary reward while on the other hand they get personal gratification that they are self employed. Although their educational back-ground has not shown any positive effect in their business, in the long run it will be managed as they learn the skill through their practical knowledge of business, It is hoped that with more aid of funds, training and skill development from government and other stakeholders, these women can be groomed to become successful entrepreneurs and contribute to the nations economic growth and social upliftment.
Independence brought promise of equality of opportunity in all spheres for the Indian women and laws guaranteeing for their equal rights of participation in political process and equal rights in education and employment were enacted. It is unfortunate, that the government sponsored development activities, have benefited only a small section of women, that is the urban middle class women. The majority of them are still unaffected by these changes and development. It is for the RFC, RIICO and other organizations as well as the government to take affirmative action, so that women entrepreneurs could give better performance, thereby enhance their entrepreneurial skills and economic development, not only for themselves, but even the state government.

(ii) **FINDINGS**

Although RIICO's and RFC role in industrializing the state and working for women entrepreneurs has been admired and appreciated in every look and corner, yet it can be said openly and overtly that there is no problem or draw back in the functioning and constraints which are currently faced by RIICO. Many more problems are not so crucial at this conjecture than the external ones. These external problems are more problematic to the corporation. In fact, corporation's profitability is affected more by external rather than internal ones. Among the external factors affecting the efficiency of the corporation are power shortage, transport, bottlenecks, marketing problems, and recessionary trends.

So far as internal problems are concerned, the single most important objection against the functioning of the corporation is the nature of the organisation itself. It is working as a government department or like that. It is headed by an IAS officer and therefore, bureaucrazation is indispensable. If the corporation continues to work in this manner, all sorts of political influences on bureaucratic manoevouring are automatically inducted.

Delays, lack of direction inertia, lack of effective leadership and enthusiasm became the pat words of such institutions. The unit of cost of production increases in administrative expenses.

As the size of the corporation is over increasing it is going to be very important factor in contributing to the units of production and consequently by making it less profitable through till now. Therefore it is very much imperative that the corporation besides diversifying its activities should have a strict eye on its working and expanding activities. It requires new financial disciples.
(iii) **SUGGESTIONS FOR RIICO**

a) RIICO should be ensure the Smooth, adequate and Uninterrupted working of Corporation.

b) The State Government Should also ensure adequate funds to the Corporation so that is might provide financial assistance to the exciting as well as prospective entrepreneurs and Women entrepreneurs.

c) The Corporation should be fully Free from the fetters of all Government, and Political interferences and they should allow it to function only on purely Commercial Principles.

d) RIICO should start more schemes for undeveloped youth and women entrepreneurs so that they may be able to become self employed and self dependent.

e) It should be ensure that the loan granting procedure be minimal, smooth and transparent.

f) It should be start help line/customer care services for entrepreneurs so that they may avail themselves of various benefits and information suitable for them through RIICO.

g) Legal Procedure should be made simple and minimum.

h) It should be ensure proper recovery funds in time so that it may run profitably.

During the last decade RIICO has done Approachable Job and made a commendable to the entrepreneurs, Women entrepreneurs and industrial development in the state. It has not only helped the state to get industrialized but also diversified the very base of industrialization Balanced regional development has been guiding principle, which is very essential for the healthy and sustained development of the state.

It has been successful in attracting and inviting new and prospective entrepreneurs who were previously hesitate to set up industries in Rajasthan. Finally, It is Suggested that RIICO should engage it Self continuously and successfully in implementing the plant and policies of the govt. in Light of needs of the state. Efficiency, Quick decision making and foresightedness should become the basic principle of Corporation's activities. It should be aim at industrializing the state and promote women entrepreneurs more and more as quickly as possible. For this it should not be
discriminate among the male/female entrepreneurs premiums and region of state. It should be aim at making profits and replaughing them for future development.

(iv) **SUGGESTIONS FOR R.F.C**

a) Least attention is paid on under-writing of securities, buying of securities, giving guarantee etc., to industrial organizations. The attention is only given for granting loans.

b) It is a general feeling among entrepreneurs that Corruption and redtapism, largely prevails in the working of the Corporations.

c) There is a lack of professionally talented persons in the organization structure of the R.F.C.

d) There is a lack of flexibility in working of R.F.C.

e) The Paid up Capital is not sufficient to meet its financial commitments.

f) The back word districts get very little percentage of the financial assistance extended by it to industries.

g) There is a no attractive rebates & Facilities for women entrepreneurs.

h) The Procedure for the sanction and disbursement of loan should be more simple.

i) The time schedule prescribed by the corporation for loan sanctions should be strictly adhered to.

j) Corporation should drew attention on its other function.

k) The bureaucratic functioning should be effectively checked and steps may be taken towards decentralization of functional authority.

l) Importance should also be given to modern industrial unit, new entrepreneurs and to women entrepreneurs.

m) Public deposits should be allowed on more attractive terms.

n) There is need to find additional sources of capital to meet its commitments in time.

O) Thought the management in R.F.C. is efficient, there is scope for further improvement, which can be brought up by on line computerisation.

As Rajasthan financial corporation has stared financial diversified activities like industrial unit, mineral unit, hotel, transport etc. Its financial recourse should be increased in future and administrative efficiency should be improved, it is helped that R.F.C. would play a greater role in the development of women entrepreneurs in future, and thereby contribute towards increasing employment Opportunities for women in the
state. It should strengthen its various assistance schemes by increasing financial assistance under them, but it should monitor them in a more effective and satisfactory manner.

It is therefore concluded that good borrowers scheme, Yova Udheyamita Yojana, Schemes for women entrepreneurs are successful and achieve its objects. RIICO and RFC are an esteemed organization of the State it act as a catalyst financial institution, infrastructures developer and many more and now RIICO is launching, various assistance scheme and land rebates for women entrepreneurs to developed them and this indirectly help in economic development because new women are also getting a chance to come in business field.