

A study on Government Financial schemes to encourage women entrepreneurs

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ABSTRACT

A key component of both the process of development and the process of socioeconomic transition is the entrepreneur. For a society to develop, it is critical that all segments of the population, including women, participate fully. One potential strategy for assisting women in achieving economic empowerment is the development of their entrepreneurial skills. The country has experienced tremendous business and economic growth as a result of the rise in the number of female entrepreneurs. By creating jobs in the nation, influencing demographic changes, and motivating the subsequent generation of female founders, women-owned businesses are playing a significant role in society. Women entrepreneurs are crucial to the health of an economy.

This paper makes an attempt to evaluate the issues and difficulties that women entrepreneurs encounter. The aim of this paper is to encourage women to create their own businesses because they are often discouraged from doing so. Various government initiatives to support female entrepreneurs are also covered in the paper. The study's findings show that women-owned businesses are contributing significantly to society by creating jobs, becoming financially independent, changing the demographics, and motivating the next generation of female entrepreneurs.

Key words: Women entrepreneurs - Challenges- Problems - Entrepreneurship

INTRODUCTION:

According to APJ Abdul Kalam "Empowering women is a prerequisite for creating a good nation, when women are empowered, society with stability is assured. Empowerment of

women is essential as their thoughts and their value systems lead to the development of a good family, good society and ultimately a good nation."

According to definition given by Government of India, "A women entrepreneur is defined as an enterprise owned and controlled by woman having a minimum financial interest of 51% of the capital and giving at least 51% employment generated to women".

Individuals entrepreneurs are individuals or groups of women who launch businesses or organizations. Due to improvements in education, urbanization, industry, and understanding of democratic values, women's roles have changed. A key component of both the process of development and the process of socioeconomic transition is the entrepreneur. For a society to develop, it is critical that all segments of the population, including women, participate fully. One potential strategy for assisting women in achieving economic empowerment is the development of their entrepreneurial skills. Generally speaking, when people are given the freedom to start and run their own businesses, it is feasible to produce wealth, jobs, and a reality of individual and societal well-being. It becomes easier for the Government to redistribute wealth and income when all those who can work are empowered to do so.

In India, female entrepreneurship has grown significantly over the past few years. More women are pursuing professions in this field and the entrepreneurial landscape is continuing to see significant advancements. More and more women are pursuing the entrepreneurial dream and finding success in their initiatives as a result of the ongoing expansion of the Indian startup ecosystem.

Women are now exhibiting interest in launching their own businesses as a result of the spread of education and social awareness over the past three decades. As a result, there has been a noticeable increase in female entrepreneurs. Women in India are more willing than ever to take on challenges and take on leadership roles in economic, social, and political groups. Typically, they work in little or modest cottage enterprises, but a recent survey reveals that women are launching businesses in every industry on par with males. Even though Indian women have revolutionized the field of entrepreneurship, they frequently encounter a unique set of difficulties not typically experienced by men.

Objectives of the study :

1. To explore the challenges of women entrepreneurs.

2. To study the women entrepreneurs Difficulties and Problems .
3. To find out the Government Initiatives to help women entrepreneurs.

Women Entrepreneurship

According to estimates, women make up one-third of all business owners worldwide. Traditionally, the process of creating, acquiring, establishing, and operating a new business has been referred to as entrepreneurship. According to one definition, an entrepreneur is a person who gathers resources, uses them, takes calculated risks, and generates profits. In order to take advantage of possibilities and turn them into businesses, an entrepreneur manages all production elements, including human, financial, and material resources. Entrepreneurship begins with having an entrepreneurial attitude and is supported by an entrepreneurial eco system that includes government initiatives, policies, non-governmental organizations, public and private institutions, associations for small businesses, and laws that are favorable to small businesses.

Problems and challenges faced by women entrepreneur :

1. Balance between family and career- Indian women have strong emotional ties to their families and homes. They are expected to take care of all the household duties, as well as to watch over the kids and other members of the family. They spend a lot of their time and energy caring for their husband, kids, and in-laws because they are overburdened with family duties. It is quite challenging to focus and manage a company properly and efficiently in such a setting.

2. Limited access to finance - Limited access to finance - For women, access to finance is a major problem. One of the biggest difficulties for women entrepreneurs is getting credit, especially when establishing a business. For many reasons, including a lack of collateral, a refusal to accept household assets as security, and loan officers' unfavorable impressions of female entrepreneurs, women frequently have less opportunities than males to acquire finance (Mahbub, 2000). Women business owners struggle greatly to raise and meet the company's financial needs. Due to their lower credit worthiness, banks, creditors, and financial institutions are reluctant to offer financial aid to female borrowers.

They also experience financial difficulties as a result of blocked monies in inventory, raw materials, work-in-progress, finished goods, and untimely customer payments.

3. Low Risk Tolerance

The entrepreneur needs to be capable of accepting some inherent risk in order to make investments and run a successful business. Women frequently lack financial independence and lack decision-making experience. They are also risk-averse because they don't trust their judgment. This is gradually changing because more and more women are managing their finances and reducing risks with each generation.

4. Inadequate Marketing skills - It takes skills, knowledge, and contacts to enter new markets. Women frequently lack access to training and expertise on how to participate in the market, making it difficult for them to strategically promote goods and services. As a result, women-owned SMEs frequently find it difficult to handle both the production and marketing of their products. They frequently haven't been exposed to the global market, thus they don't know what is considered acceptable globally.

5. Illiteracy or low level of Education- In terms of education, women in India remain far behind. Many women still lack access to literacy even after more than 70 years of independence. Because of early marriage, domestic duties, and poverty, those who are educated receive either less or an inadequate education compared to their male counterparts. Due to a lack of adequate education, the majority of female business owners are unaware of advancements in technology, production processes, marketing, networking, and other government initiatives that will help them advance in the management sector..

6. Socio-cultural barriers: In Indian civilizations, the traditions and practices that are in place can occasionally act as a barrier for women, preventing their growth and prosperity. Our society is dominated by castes and religions, which also disadvantage female entrepreneurs. They have much more severe social obstacles in rural areas.

7. Networking opportunities - Women are further constrained in their ability to advance because they have fewer contacts in the commercial world, less experience navigating the bureaucracy of the government, and lower negotiating power. Since most female entrepreneurs run small businesses and typically aren't a part of networks or professional organizations, it can be challenging for them to get information.

8. Access to policymakers - The majority of women have little access to or representation on bodies that shape policy. Large corporations and men have easier access to policymakers, who are more often viewed as their peers. Women are less likely to join traditional business

organizations and even less likely to hold senior roles within these organizations, which limits their ability to influence for policies.

9. Entrepreneurial Skill - Women business owners worry about their lack of entrepreneurial acumen. They don't have a lot of entrepreneurship skills. Even after participating in numerous entrepreneurship training programs, female entrepreneurs still struggle to deal with potential risks and issues that may arise in an organizational setting.

10. Ownership of Property

The majority of women do not own property, so they are not eligible for business loans with collateral. Many angel investors and venture capital firms are reluctant to invest in women-led businesses because the majority of them are in unorganized sectors.

11. Lack of Self-Confidence - Women entrepreneurs generally lack self-confidence, which is a driving force behind the effective operation of an organization. Striking a balance between running their family and their business takes a lot of effort. To establish a balance between the two, people occasionally have to compromise their entrepreneurial impulse, which results in the loss of a potential entrepreneur.

12. Mobility Barriers - Due to traditional attitudes and poor driving abilities, women's mobility in India is severely constrained and has become an issue. Moving alone and asking for a room so that you can work late at night are still viewed with suspicion. Inexperienced women can find it awkward to interact with men who seem particularly interested in them in ways unrelated to their jobs..

13. A lack of institutional and social support Most women who own businesses don't receive the social support they need to launch them from their families, peers, and local communities. One of the biggest issues facing women entrepreneurs in the nation is a lack of mentorship from the business community. Regarding institutional backing, the situation is the same. Although there are programs to encourage female entrepreneurs, many women don't get timely advice or assistance from the authorities. Their confidence and capacity to take chances are negatively impacted by the lack of an adequate support system.

14. Safety Issues

For female entrepreneurs who need mobility to conduct their company activities, the unfriendly and dangerous climate presents significant hurdles. This makes it difficult for

women to travel to many places on their own and occasionally makes having a man's companionship necessary for their safety alone. The climate can be adequately modified to make it safer for women attempting to take on entrepreneurial positions with significant legal reforms, proactive law enforcement, and an efficient court system.

Initiative by Government for Women Entrepreneur

1. Business Loan from Bharatiya Mahila Bank For women who have huge dreams despite having few resources, Bharatiya Mahila Bank was founded. It provides loans of up to 20 crores to female business owners who want to launch manufacturing ventures. There is no need for collateral if the requested loan amount is less than Rs. 1 crore. The lending scheme that started in 2017 is still in effect even though the Bharatiya Mahila Bank and the State Bank of India merged.

2. Mudra Yojana Scheme

A program called Mudra Yojana may help women who want to launch or grow their small businesses. Despite not being a program specifically for women, it is nonetheless quite advantageous. Women business owners are eligible to apply for loans between \$5,000 and \$10 lakh. It is perfect for opening up beauty salons, a small business, or a home-based operation. No collateral or guarantor is required to apply for this loan. This program has benefited many female-run businesses because it is simple to use.

The scheme is divided into three categories:

Shishu: loans up to ₹50,000/-

Kishor: loans above ₹50,000/- and up to ₹5 lakh

Tarun: loans above ₹5 lakh and up to ₹10 lakh

3. Dena Shakti Scheme

Dena Shakti Scheme is a program that offers loans to female business owners in the following industries: Partnership company, company retail outlets sector of manufacturing microlending institutions Residence Education

This program is available to female entrepreneurs who want to launch a company in one of the aforementioned industries. Depending on the sector they are seeking under, the loan they

can apply for has a maximum ceiling of 20 lakhs. At 0.25% less than the base rate, the interest rate is determined.

4.Udyogini Scheme

The Udyogini Scheme is designed exclusively for women from families with an annual income of less than 1.5 lakh rupees. They are eligible for a loan with an interest rate as low as 3% up to 3 lakhs. Women who are widowed, in need, or disabled may qualify for a loan under this program. This program aims to assist women from economically disadvantaged families in becoming independent. The Udyogini Scheme was developed by the Karnataka State Women Development Corporation, but several banks have adopted it with changes.

5. Cent Kalyani Scheme

Women entrepreneurs can use this program to launch or grow their SME. A program for women by the Central Bank of India is called Cent Kaylani. Loans up to 100 lakhs are authorized under the program without requiring any collateral or processing charges. Every other sort of business, aside from self-help organizations, retail commerce, and educational and training institutions, is eligible for this program.

6. Mahila Udyam Nidhi Scheme

The Punjab National Bank introduced the Mahila Udyam Nidhi Scheme, which is designed to aid Small Scale Industries (SSI). By offering hassle-free loans, the program seeks to encourage modernization and technological growth in these small-scale enterprises. Under this program, a loan may only be for a maximum of Rs. 10 lakh, and the borrower has ten years to pay it back. That also includes a five-year moratorium. The application for this program is available here. You can fill out the application and deliver it to the closest branch of the Punjab National Bank to apply for the loan. Like SBI, several other banks offer programs comparable to this one.

7. Women Entrepreneurship Platform (WEP)

The Women Entrepreneurship Platform is a project launched by the Indian government's NITI Aayog, which brings together female entrepreneurs and sponsors who are eager to support them in one location.

The aspiring female entrepreneur is welcome to join our group.

The following advantages are available at WEP:

- A program for early-stage enterprises to accelerate their growth.
- aid with marketing • Support for assuring compliance with laws and regulations • Funding and financial aid
- A group and network of females with similar interests.

These are only a few of the greatest programs available right now to assist ambitious female business owners in taking the first step toward financial emancipation.

Conclusion

Around the world, women run more than one-third of all businesses. There has been a surge in female entrepreneurship in India as a result of economic development, improved educational access, urbanization, the growth of liberal and democratic culture, and social recognition. In India, specific initiatives and campaigns have been developed to support the development of female entrepreneurs. Programs like Startup India and Standup also make a unique argument for encouraging female entrepreneurs.

Women have begun transitioning from the 3 Ps to the 3 Es — engineering, electronics, and energy — and other industries under Integrated Rural Development Programs as a result of increased business awareness among women and the growth of education among them (David 1992). According to a report by the EdelGive Foundation, businesses run by women in India are expected to rise by up to 90% over the next five years as a result of significant improvements in a variety of spheres of their lives.

Recently, the country has experienced substantial business and economic growth as a result of the rise in the number of female entrepreneurs. Women-owned businesses are contributing significantly to society by creating jobs, achieving financial independence, changing the demographics, and serving as role models for the next generation of female entrepreneurs.

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