



A study on "Transformation of Indian Women to Independent Women Entrepreneurs through Financial Assistance"

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ABSTRACT:

In the contemporary period of globalization and liberalization, a revolutionary approach has been welcomed in our nation with the goal of giving the female population more prominence. Due to the ongoing rise in living expenses, it is now crucial for women to participate in the economy in order to support their families. They have demonstrated their abilities not only in a variety of work roles, but also by bravely encroaching on the taboo world of entrepreneurship. In order to achieve financial independence and forge a strong position for themselves in society, women have been behaving like true entrepreneurs, taking risks, managing resources, and accepting challenges.

Key words: Women entrepreneurs, Financial Assistance, Financial Independence

INTRODUCTION:

The world we live in today is dynamic and evolving quickly. All areas of human activity, including their profession and vocation, have undergone changes. The pace of change has been further accelerated by liberalization. Change has clear and obvious results. It has helped a variety of classes of entrepreneurs, including women whose entry was previously insignificant and challenging to emerge. This is advantageous for long-term economic growth and social advancement. Due to social change, increased access to higher education, pro-women legislation, soaring public awareness, urbanization, family support, etc. have all aided in the birth of a sizable number of female entrepreneurs. For a variety of reasons, women's access to the business world used to be largely restricted. The three Ks for women were kitchen, kids, and knitting, followed by the three Ps: powder, papad, and pickles. The situation has now fully changed. Due to social change, she

left the four walls of her home. The 4Ps—Electronics, Electronics, Energy, and Engineering—have now totally superseded the former 3Ks and 3Ps. Women have come a long way and are now more prevalent and successful in all sectors of the economy. This also applies to Indian ladies. Women participate in a variety of occupations besides business in order to survive. They aspire to appease their innate thirst for creativity and talent. They have been creating a base and developing tactics to achieve this. Their numbers are also growing more quickly in fields including education, politics, self-employment, and professions. Social change is a result of women's education. The admission of women into fields previously dominated by males will demonstrate this.

Women are thriving in many fields and pursuing more professional education courses these days to keep up with market demands. Fashion designing, interior design, exporting, publishing, clothing manufacturing, beauty salons, basket weaving, consulting, content writing, event planning, resume writing, etc. are important among them. Perhaps as a result of these factors, the government, NGOs, academics, and international organizations have begun to take an interest in matters relating to female entrepreneurship. In India, this is also true. Indian women are rapidly starting their own businesses and engaging in a variety of economic pursuits. Women business owners consider their options for launching a new company. By using their experience and knowledge, they are willing to take on risk, bring innovations, coordinate administration, and manage business. Many women were successful in their missions and became great business owners.

Women entrepreneurs are those who actively start or take over a business. - J.Schumpeter

"Women's participation in equity and employment of a business venture is the foundation of women entrepreneurship." — Ruhani J. Alice

INDIAN PERSPECTIVES ON WOMEN ENTREPRENEURS:

Indian women are evolving, and they are quickly becoming prospective business owners. Women are serving as role models in non-traditional business sectors in order to challenge gender stereotypes. In practically every nation, the economies of women-owned businesses are expanding quickly. As peoples understanding of the function and position of economic society has grown, small but steady changes have been made to the latent entrepreneurial potential of women. Women in business are prevalent for a variety of reasons, including skills, expertise, and the economy's adaptability.

Women are entering the business world with concepts for new small and medium-sized businesses. They are open to taking inspiration from role models, such as the accomplishments of other women in business.

Five major categories can be used to group women entrepreneurs:

- 1) Rich business women's daughters and wives are the first category. These women have the funding and available resources to launch a new business and take risks.
- 2) Pull factors are educated urban women who are willing to take the risk of starting a new business with the aid of commercial banks and financial institutions. These women can either have prior work experience or not. To challenge themselves and achieve financial independence, these ladies start a new business.
- 3) Push factors: In order to get out of financial trouble, these ladies start up a business. Due to challenging family circumstances, widows and single women frequently run an existing family business or start a new one.

- 4) Women from rural areas who opt to start their own businesses. These women select ventures that fit their skills and resources. Low investment, minimal risk, and no specialized skills are required for carrying out business.
- 5) Women who work for themselves and are self-employed but live in poverty. They choose for little businesses that are easy to maintain and provide for the needs of her family.

CAUSES FOR THE RISE IN WOMEN ENTREPRENEURS:

The causes of the rise in female entrepreneurship in India

Even though the proportion of female entrepreneurs is rising, it is still disproportionately low when compared to their participation rate.

There are a number of causes for the rise in female entrepreneurship in India, including:

1. **The nature of entrepreneurship**: Women engage in entrepreneurial activity because traditional employment does not offer them the freedom, autonomy, or challenge that comes with owning a business.
2. **Empowerment**: Indian women are currently growing increasingly powerful. Legislation is being developed over time to give them more chances at different levels.
3. **Social Conditions**: The relatively high involvement of women in necessary entrepreneurship suggests that women use self-employment as a way to get around institutional and cultural barriers to female employment as well as a way to supplement family income.
4. **Literacy and Education**: The emergence of business has been significantly aided by rising educational standards. Those with knowledge and skills are also taking advantage of company opportunities, so it's not just the uneducated who are beginning them.
5. **Multitask Oriented**: Women are renowned for managing multiple things at once while still delivering top-notch outcomes. During a phone call, a woman can also open and read her email, schedule the remaining tasks for the day, and talk on the phone. Men sometimes miss many opportunities because they struggle more with multitasking.
6. **Having Patience with the Process**: This quality is crucial for entrepreneurs to possess. We hear far too often about brilliant businesspeople who tried to launch their enterprises but gave up after a few months. These businesspeople frequently abandon their dreams too soon. They lost patience with the procedure. Women understand intuitively that you have to be patient to see success.
7. **Self-promotion and branding**: Women are natural marketers. They simply cannot stop talking about what they choose to do because they are so fervently and enthusiastically committed to it. They don't fail to highlight the advantages of their services to prospective clients. They are adept at emphasising the good.
8. **Collaborator**: Women entrepreneurs are succeeding more and more because they naturally work well with others and like doing joint projects. When they locate attractive, like-minded women with whom they believe they can collaborate to achieve a goal, they pursue them. With women, a collaborative spirit and attitude predominates; a competitive attitude is uncommon and is seen unfavourably when it is. Women work at jobs they enjoy, and it makes them feel terrific to work alongside other women.

9. **Structural Shift**: A structural shift is one of the main factors. There are more women in the working now, and women make up a larger portion of society's economic structure. They are resourceful, taking time off from work to raise their families, returning when the children are older, or working a flexible schedule while their children are in school.

10. **It's the Blend**: Women entrepreneurs' desire to balance their professional and personal goals is one of the main factors contributing to their current prominence. Their career goals and personal goals frequently overlap. They put their passions into action, and it shows in their business ventures. It's more than simply a job to them; it plays a big role in who they are.

11. **Relating to Customers' Needs**: Women entrepreneurs tend to be more aware of their customers' needs, which is one of the main reasons why they are successful. Men are typically consumers rather than customers. The main difference is that. Naturally, women shop based on price, but the shopping experience is just as significant. It doesn't matter how much it costs if the service is subpar or if customers can't connect with the staff. Customer loyalty and word-of-mouth advertising are key.

12. **Relationship Integrity**: One of the things that makes women successful business owners is their capacity to nurture the entire relationship. They naturally listen to comprehend, which enables them to connect across professional barriers and provide partnerships strong integrity. It's not just about that one issue, whether they are speaking to a significant account, haggling with a vendor, or coaching an employee. One of the many things that makes them great entrepreneurs is their desire to forge broad and lasting relationships.

13. **Women's Ingenuity**: More and more stay-at-home mothers are starting businesses from their homes while also taking care of their families. Most people do it from the comfort of their homes in order to supplement their families' income. Others desire to spend their time doing something financially and economically beneficial if a corporate profession is currently out of the question. Others have stumbled upon a chance that allows them to work from home and still be with their kids.

14. **Women are Social**: Today, successful entrepreneurs must be active on social media. Women are by nature social beings. They can take advantage of social media in ways that can swiftly and inexpensively kickstart new businesses. They are adept at bringing people together and igniting discussions, whether they are interacting with clients via Twitter, blogs, forums, or Facebook.

DRIVING FORCES THAT MOTIVATE WOMEN ENTREPRENEURS:

There are four driving forces that motivate women entrepreneurs:

1. **RECOGNITION**: A woman entrepreneur is driven by admiration, regard, esteem, and celebrity recognition. The most significant results that entrepreneurs produce for their companies are reinforced and rewarded by communication tools.

2. **INFLUENCE**: is the ability or power of a person to persuade others or to have an impact on their actions, conduct, opinions, etc.

3. **INTERNAL**: This is what drives businesswomen the most. The internal variables are what have the most impact on motivation. It encompasses innovation, regard for others, and their enjoyment.

4. **INTEREST**: Profit is not the real driving force behind an entrepreneur. The welfare of the workers and the payment of taxes to the government indirectly enhance the entrepreneur's quality of life. Thus, interest rather

than money is likely what drives Apple to develop and market successful products like the ipod, iPhone, and iPad.

CATEGORIES OF WOMEN ENTREPRENEURS:

Categories of women entrepreneurs exist: self-help groups; those who receive excellent service and mentoring from microfinance organizations; and others.

1. **Grassroots Entrepreneurs:** These are people like tailors, flower sellers, STD booth owners, and paan shops who are motivated by a need to increase the family's finances, particularly to secure their children's future. They are very focused on their work because they want to make five lakh rupees a year and believe that any increase in their income will directly affect the lives of their children. They can define clearly what they want to learn that would enable them to make more money, and they are eager to acquire formal skills and training. They demand a domestic family, assistance, financial assistance, greater infrastructure, and mechanisation.

2. **Mid-Range Entrepreneurs:** They are motivated by a desire to establish a name for themselves, increase their level of quality, and satiate their creative urges. They typically have garment shops, poultry farms, export businesses, etc., with turnover aspirations ranging from Rs. 50 lakh to Rs. 1 crore. They are primarily graduate+. They are fairly well supported by the family, but what they really lack is the know-how to raise the bar on the "quality of their business." They do not want to scale back too much, though, as they feel there is a point beyond which their children will be neglected.

3. **Upper Crust:** Members of the highest social class who are extremely well educated and who own businesses such as export houses, travel agencies, and traders in pharmaceuticals—often complements to the enterprises of their husbands—aim for revenues of more than Rs. 5 crore.

FINANCIAL ASSISTANCE SCHEMES FOR WOMEN ENTREPRENEURS:

Following are the government schemes for women entrepreneurs which are available for women entrepreneurs:

- Mudra Loan for Women
- Annapurna Scheme
- Stree Shakti Yojana
- Dena Shakti Scheme
- Bhartiya Mahila Bank Business Loan
- Mahila Udyam Nidhi Yojana
- Orient Mahila Vikas Yojana Scheme
- Cent Kalyani Scheme
- Udyogini Scheme
- Pradhan Mantri Rozgar Yojana
- Synd Mahila Shakti Scheme

1. Mudra Loan for Women:

Mudra Loan for Women was launched by the government as a woman loan scheme to offer financial support for enthusiastic women entrepreneurs. They seek a business plan like starting a beauty parlour, tuition centre, stitching shop, etc. This scheme does not require any collateral to grant the loan. However, there are categories under which a Mudra loan application can be applied. They are as follows:

- **Shishu Loan:** The maximum loan amount granted to businesses in the initial stage is Rs. 50,000.
- **Kishor Loan:** This loan is for businesses that are already established but wish to improve services. The amount of loan granted varies from Rs. 50,000 to Rs. 5 Lakhs.
- **Tarun Loan:** This loan is for well-established businesses planning to expand their reach and is short on capital; they can avail as much as Rs. 10 Lakhs for the purpose.

2. Annapurna Scheme:

The Annapurna Yojana is one of the many government schemes for women. Under this, the Government of India offers women entrepreneur's schemes in food catering businesses loans up to Rs. 50,000. The borrowed amount could be used for working capital requirements such as buying utensils, mixer cum grinder, hot case, Tiffin boxes, working table, etc.

After the loan is approved, the lender doesn't have to pay the EMI for the first month. Once sanctioned, the amount has to be repaid in 36 monthly installments. The interest rate charged is determined based on the market rate and the concerned bank.

3. Stree Shakti Yojana:

The Stree Shakti package is a unique government scheme for women that supports entrepreneurship by providing certain concessions. This woman loan scheme is eligible for women who have the majority of ownership in the business. Another requirement is that these women entrepreneurs be enrolled under the Entrepreneurship Development Programme (EDP) organised by their respective state agencies. This Stree Shakti scheme allows women to avail of an interest concession of 0.05% on loans more than Rs. 2 lakh.

4. Dena Shakti Scheme:

The Dena Shakti Scheme provides loans up to Rs. 20 lakh for women entrepreneurs scheme in agriculture, manufacturing, micro-credit, retail stores, or small enterprises. This government scheme for women also provides a concession of 0.25 percent on the interest rate. In addition, women entrepreneurs can avail of a loan of up to Rs. 50,000 under the microcredit category.

5. Bhartiya Mahila Bank Business Loan:

Implemented by The Bhartiya Mahila Bank (BMB), this is a public sector banking company that offers loans schemes for women entrepreneurs up to Rs. 20 Crores for working capital requirements, business expansion, or manufacturing enterprises. Some of the different plans under this woman loan scheme includes the following:

- **Shringaar:** The BMB Shringaar loan applies to self-employed women or homemakers planning a start-up or meeting their daily business expenses. The loan doesn't require you to provide any collateral security.

- **Parvarish:** Similarly, the BMB Parvarish loan is for self-employed women or homemakers to set up day-care creches. The upper limit of this loan can be Rs. 1 Crore without any collateral security under the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGSTSM) scheme.
- **Annapurna:** Between 18 to 60 years, food entrepreneurs wanting to start or expand their small businesses can avail of this loan. Its features are similar to that of the State Bank of Mysore's Annapurna scheme, minus that it does not require collateral security.

6. **Mahila Udyam Nidhi Yojana:**

One of the most popular government schemes for women entrepreneurs, the Mahila Udyam Nidhi Scheme, is offered by Punjab National Bank and Small Industries Development Bank of India (SIDBI). The scheme supports women entrepreneurs to set up a new small-scale venture by extending loans up to Rs. 10 lakh to be repaid in 10 years. The rate of interest charged depends upon the market rates.

7. **Orient Mahila Vikas Yojana Scheme:**

Oriental Bank of Commerce launched the scheme, women with an ownership of 51 percent share capital individually or jointly in a proprietary concern can avail a loan through the Orient Mahila Vikas Yojana. There is collateral required for loans between Rs. 10 lakhs to Rs. 25 lakhs. The repayment tenure of the loan is seven years. Orient Mahila Vikas Yojana Scheme also provides a concession on the interest rate of up to 2 percent.

8. **Cent Kalyani Scheme:**

The Cent Kalyani Yojana is a government scheme for women that can be availed by both existing and new entrepreneurs and self-employed women. Micro/small enterprises like farming, agriculture, cottage industries, and retail trade are all eligible to apply for the Cent Kalyani Scheme. You do not have to provide any collateral as security or need any guarantors for this loan. The interest rate on loans depends on market rates. The repayment tenure of the loan will be a maximum of seven years.

9. **Udyogini Scheme:**

The Women Development Corporation has implemented the Udyogini Scheme under the Government of India. This scheme promotes and motivates women's entrepreneurship among the poor by providing financial support to women. This scheme majorly supports and helps illiterate women living in rural and backward areas.

10. **Pradhan Mantri Rozgar Yojana:**

The objective of Pradhan Mantri Rozgar Yojana (PMRY), one of the various government schemes for women, is to provide opportunities of self-employment to the educated young people of the country. Initiated in 1993, the scheme provides the unemployed Indian youth a loan amount to commence their personal business project and subsequently create scope of employment for others. Just a few of the approved business segments for which the government scheme provides financial backup include manufacturing, trade, services, etc., you can avail a loan up to Rs. 1 Lakh without having to provide any collateral. The tenure for repaying the loan ranges from 3 to 7 years.

11. Synd Mahila Shakti Scheme:

Syndicate Bank has introduced a scheme known as the “Synd Mahila Shakti Scheme” with an aim to support women’s entrepreneurship development. Under this plan, the bank offers financial backup to those women entrepreneurs and professionals involved in small business, retail trade, or self-employed through its credit facilities.

The objective of this government scheme for women is to promote economic empowerment of women by supporting them with business loans to meet their need for working capital or expansion of business. You can initiate as well as modernize your existing business by availing a loan of a maximum of Rs. 5 Crores with a concessional interest rate.

The minimum interest rate is 10.25% which is applicable for loans up to Rs. 10 Lakhs, and no collateral is required. Concession is offered at 0.25% for loans above Rs 10 Lakhs, and there is no processing fee.

Institutions Supporting Women Entrepreneurs:

Many institutions have been established in India with the goal of fostering women entrepreneurs. With the partial or full support of the federal government and state governments, they launched various programmes for the advancement of women are as follows:

1. The Karnataka Association of Women Entrepreneurs (AWAKE):

Established in 1983, AWAKE. Its main goal when it was founded was to support female entrepreneurs. It is one of India's top schools for teaching and assisting women in starting their own businesses. This organization's main goal is to enable women and help them integrate into society's mainstream economy. In order to help rural and urban women who are socially and economically backward become independent, AWAKE is concentrating on them. AWAKE creates EDPs.

2. Federation of Indian Women Entrepreneurs (FIWE):

This organization was established in 1993 on the eve of the Hyderabad-based 4th International Conference of Women Entrepreneurs. Its goal is to collaborate with different women's organizations across the nation via its network in order to support the members in various endeavors.

Functions of FIWE: a. It gives women entrepreneurs in the nation and abroad network facilities to grow their businesses.

b. It offers member associations resources in the areas of marketing, quality assurance, export administration, standardization, etc.

c. Participating in national and international seminars, trade shows, and exhibitions gives the member associations new exposure.

d. It provides member organizations with easier access to a variety of commercial opportunities.

f. It supports member organizations' commercial growth.

3. Self-Help Groups (SHGs):

A self-help group is an organization of women that was created voluntarily, either in rural or urban areas, to look out for the welfare of the group. The group is able to fulfill its needs with the aid of commercial banks and other NGOs. According to the group's bylaw, each member gives a small amount as seed money. A financial institution or an NGO will take care of the remaining portion of the Fund. Governments occasionally

agree to finance through financial institutions. The "Stree Shakti Sangh" scheme has gained a lot of traction in Karnataka. Financial institutions are used to finance female entrepreneurs.

4. Mahila Udyog Nidhi (MUN):

SIDBI's Mahila Udyog Nidhi and Mahila Vikas Nidhi (MVN) have supported female business owners. MUN is a unique programme that supports women in their pursuit of income-generating activities by giving them equity (i.e., seed capital). SIDBI has also taken action to set up an unofficial route for credit requirements on lenient conditions with a focus on women in particular.

5. The Trade Related Entrepreneurship Assistance and Development (TREAD):

Programme was developed by the Indian government's ministry of small scale industries. It assists female entrepreneurs in building a robust economy. It offers trade-related training, information, counseling, and extension activities related to trades, products, services, etc. to accomplish this goal.

6. The Priyadarshini Yojana of the Bank of India: Under this programme, banks offer long-term and working capital assistance in a number of categories.

7. The Swarna Jayanthi Gram Swarojar Yojana:

Since April 1999, this scheme has been in operation. This program's primary goal is to give rural women who are living in poverty opportunities for legitimate self-employment. The purpose of this is to raise rural women's social and economic status. This programme encouraged women to form groups of 10 to 15 and encouraged them to engage in economic activities appropriate to their skills and locally available resources.

8. Rashtriya Mahila Kosha: On March 30, 1993, this fund was established to provide credit support available to low-income women who wanted to improve their socioeconomic standing. Through NGOs, Women Development Corporations, Dairy Federations, Municipal Councils, and other entities, support is being provided. Rashtriya Mahila Kosh intends to provide loan facilities through these entities at an annual interest rate of 8%. This fund offers completely risk-free financial assistance and does not require any sort of collateral security from organizations applying for loans from it.

9. Other Programs: Women entrepreneurs are also entitled to financing through other government-sponsored programmes where capital subsidies are available and the rate of interest is significantly lower, in addition to the assistance mentioned above.

As follows:

- a) an Indian Kendra Mahila
- b) Mahila Samiti Yojana
- c) Indira Mahila Yojana
- d) Mahila Vikasnidhi
- e) Women's Development Corporations
- f) Working Women's Forum
- g) Marketing of Rural Women's Non-Farm Products
- h) Programs that Support Rural Women in Non-Farm Development
- i) Prime Minister's Rozgar Yojana (PMRY) and
- j) The Urban Poor Self-Employment Program (SEPUP)
- k) Program for Integrated Rural Development (IRDP)

CONCLUSION:

We may say that things are better now because there are more women participating in entrepreneurship at a significant rate. Nearly 45% of Indians are in the female sector. Effective action is now required to offer women entrepreneurial awareness, orientation, and skill development programmes. In order to encourage women's entrepreneurship, measures are being taken to highlight the importance of female entrepreneurs for economic development. From these recommendations, it is clear that a multifaceted approach from various sectors, including the government, financial institutions, individual women entrepreneurs, and many more, is required for the development and promotion of women's entrepreneurship in the region. This approach must also be flexible, integrated, and coordinated. When it comes to encouraging women to become entrepreneurs, laying the groundwork for their entry into the field is more important than providing them with the necessary infrastructure, funding, or enterprise ideas. You have to free them from their confinement to their homes and secondary roles in order for them to develop into independent, self-respecting, and entrepreneurial individuals. Despite the fact that a number of factors have contributed to the rise of female entrepreneurs, a concerted and sustained effort from all angles would pave the way for women to engage in entrepreneurial activity, aiding in the social and economic advancement of the family members and achieving equality and equal importance for themselves.

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