

# UTILIZATION OF ENTREPRENEURS EMPOWERMENT SCHEMES BY WOMEN ENTREPRENEURS WITH REFERENCE TO PONDICHERRY REGION

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## Abstract

For a considerable amount of time, entrepreneurship has been seen as a crucial element in the economic development process. The capacity and willingness of individuals to recognize and generate new business prospects and to take their ideas to the market is what is known as entrepreneurship. "Utilization of Entrepreneurs Empowerment Schemes by Women Entrepreneurs with Reference to Pondicherry Region" is the source of the research. The research's primary goals are to investigate how government-sponsored programs are used by female entrepreneurs and to look into any discrepancies between the types of entrepreneurs and the extent to which they use these programs. According to the report, over 50% of female entrepreneurs employ government-sponsored business programs. A primary source was utilized to gather data from 550 respondents, and the interview schedule was employed in this process. Data has been analyzed and interpreted using SPSS 20. Chi-square analysis, ANOVAs, and the T-test have all been applied. The findings of the study indicate that women entrepreneurs are not fully aware of the programs designed to encourage them to pursue entrepreneurial endeavors; therefore, in order to raise awareness, the government and financial institutions should host various workshops and seminars.

**Keywords:** Utilization, Awareness, Government sponsored Scheme, Women Entrepreneurs

## INTRODUCTION

One of the most crucial elements in the process of economic development has long been thought to be entrepreneurship. The willingness and capacity of individuals to recognize, generate, and market new economic opportunities as well as their ideas is what is known as entrepreneurship.

Thus, in emerging nations where extreme poverty and a lack of suitable employment alternatives are still more common, entrepreneurship is crucial. Financial services are currently unavailable to 46.3% of adult Indians, with 56.6% of female adults and 36.8% of male adults being financially excluded. Everyone knows that capital is one of the most important requirements for any economy hoping to grow its GDP, achieve some degree of economic development, and sustain long-term business growth. In most developing nations, entrepreneurs frequently struggle with a lack of capital.

Poor people and small businesses that typically rely largely on outside financing frequently face financial limits as a barrier to entry and expansion of firms in the context of financial exclusion. This is primarily because there is a shortage of collateral in the event of a default.

When an entrepreneur's personal wealth or internal resources aren't enough to sustain their investments, they have to turn to outside funding, which means they can't take advantage of investment opportunities or have to close their doors when faced with serious setbacks right from the start. In addition to the unique circumstances of each person, institutional contexts also have an impact on the accessibility of external financing. As many participants as possible can find worthwhile investment opportunities in a well-functioning financial system, which can also direct funds to the most advantageous purposes. As a result, the formation of entrepreneurs and their entrepreneurial activities depend heavily on financial development. Financial inclusion is the provision of financial services to all national residents in order to support the country's sustainable and economic growth.

It is important to pay attention to the extent to which individuals may directly use formal financial institutions, as not everyone has access to financial services, even in nations with strong financial systems. Therefore, the advancement of financial inclusion may encourage entrepreneurship primarily by lowering startup costs for those who are unable to secure outside funding or self-financing. Additionally, financial inclusion gives existing businesses the opportunity to take advantage of expansion opportunities and increases their capacity for innovation, both of which have a beneficial effect on the growth of microenterprises. Additionally, a number of studies have examined macro-level financial inclusion. This study aims to investigate the effects of microcredit availability and financial inclusion on the expansion of entrepreneurs' businesses.

## **NEED OF FINANCIAL INCLUSION**

The process of ensuring vulnerable groups, such as weaker sections and low income groups, have affordable access to financial services and timely and adequate credit when needed is the definition of financial inclusion. The ability of individuals to obtain suitable financial products and services is known as financial inclusion. To utilize those goods and services to their fullest potential, one must possess the necessary aptitude, abilities, know-how, and comprehension. A state of financial inclusion occurs when all individuals who are of working age have access to a comprehensive range of high-quality financial services that are offered conveniently, affordably, and with dignity to the clients.

## **STATEMENT OF THE PROBLEM**

There is a growing interest in the value ratio of boosting women's financial inclusion. The financial inclusion of women can significantly contribute to overall empowerment. Recent literature provides strong evidence that women's financial inclusion has a positive impact on the economy and society in terms of growth in the economy, decreased inequality, and improved well-being. Nonetheless, women entrepreneur, who make up 56.6% of the global population, have less access to financial services and products. Gender inequality remains a significant impediment to women entrepreneurs' empowerment and access to financial services, hence it is important to take this into account while developing these initiatives. In India, financial inclusion is a big step toward the empowerment of women entrepreneurs.

Financial service providers should study more about consumers and innovative business models to reach them in order to do this. They should also create a less restrictive environment that allows banks to explore the innovations required to attract low-income customers and still turn a profit. Financial inclusion will empower individuals and enable them to engage in the social and economic processes more successfully. Programs for women's financial inclusion should take into account the environment in which they live, the various forms of discrimination and exclusion they face, and whether or not to encourage access to other services like health and education in order to maximize the program's positive effects on women entrepreneurs' empowerment. Therefore, it is suggested that the current study be conducted using the following research questions. What are the factors hindering sustainable financial inclusion rural women?

1. What are the measures necessary for securing full potential benefits of all-inclusive financial access to women entrepreneurs' empowerment?
2. Does financial inclusion really influences on women entrepreneurs' empowerment?

### **OBJECTIVES OF THE STUDY**

Analyzing the impact of financial inclusion on the empowerment of rural women entrepreneurs is the study's main goal. Therefore, the following particular goals are the focus of the study:

1. To assess the nature and extend of financial inclusion in India.
2. To analyze the extent of utilization of government schemes for financial inclusion on women entrepreneurs empowerment.
3. To provide suitable recommendations based on findings of study.

### **Hypothesis**

Based on literature survey and in line with the objectives stated above, the following hypotheses were derived and tested for the purpose of this study.

1. Financial inclusion plays a positive role in rural women entrepreneurs' empowerment
2. The impact of financial inclusion on rural women entrepreneurs' empowerment does not differ based on their nature of business.
3. The impact of financial inclusion does not differ based on rural women entrepreneurs' socio - demographic characteristics.

### **Scope and Nature of the Study**

The study is purely based on sample surveys conducted among women in Pondicherry State. The study is exploratory in nature.

### **Nature of Data**

Primary and secondary data were gathered in order to comprehend the effects of financial inclusion on women. The study's primary data were gathered using a well-organized

interview schedule. The secondary data came from a variety of sources, including reviews and surveys on financial inclusion, publications published in a number of journals and E-journals, and websites belonging to CRISIL, RBI, the Ministry of Finance, EPW, and other relevant organizations.

### **Selection of Sample Respondents:**

The study has made use of both primary and secondary data, according to the researcher. 15 banks and 550 people who opened basic bank accounts under various schemes were used as sample for this study. In Pondicherry, 1, 24,568 household were covered. Number of accounts created in the Pondicherry region under various government schemes for entrepreneurs; 64% of these accounts were taken out by men and 36% by women. With a 5% margin of error and a 1.96% confidence level, 550 samples were used for the study. The study has made use of both primary and secondary data, according to the researcher. 15 banks and 550 people who opened basic bank accounts under various schemes were used as examples for this study. In Pondicherry, 1, 24,568 homes were covered. Number of savings accounts created in the Pondicherry region under government schemes for entrepreneurs; 64% of these accounts were taken out by men and 36% by women. With a 5% margin of error and a 1.96% confidence level, 550 samples were used for the study. A schedule of interviews was created in order to speak with the scheme beneficiaries.

### **Tools for Analysis**

Mathematical and statistical methods such as mean, standard deviation, and percentages were utilized to analyze the data and draw logical conclusions. The chi-squared [ $\chi^2$ ] test and ANOVA were used to determine whether financial inclusion results in women's empowerment and whether this relationship is related to dependent factors. Multiple regression analysis was used to assess the degree of association between dependent and independent components.

### **Level of Utilization of Entrepreneurs Empowerment Schemes for by Women Entrepreneurs**

To create a powerful country, women's empowerment in every sphere is essential. The revised definition of women's empowerment encompasses political, social, educational, psychological, and entrepreneurial aspects in addition to economic empowerment, which was the only focus of the former definition. In India, minority women receive the least benefit from all government programs and services. This is a result of both a lack of knowledge about government programs and a failure to take advantage of those that are offered. The media has a big impact on encouraging gender equality and the empowerment of female entrepreneurs. Regardless of how much a woman contributes to the household income, higher education strengthens her standing as an equal to males in the business world. Thus, the purpose of this study is to evaluate how government assistance program awareness and use affect women's total empowerment. It is evident from the evaluated studies that women entrepreneurs experience a shortage of resources in numerous areas, including access to funding. Despite their efforts, female entrepreneurs are unable to start their own businesses since they do not have the necessary resources. When compared to all other segments of society, women entrepreneurs from

minority communities have encountered significant obstacles. The government has launched a number of programs to support female entrepreneurs in order to address these issues. However, the majority of the publications claim that women entrepreneurs are not taking advantage of these schemes because of their ignorance and illiteracy. The aforementioned study concurrently recommended a number of actions to inform female entrepreneurs about government programs. Therefore, by shedding light on the various schemes' utilization levels, this study will supplement the current research in the field and support the empowerment of women entrepreneurs. The findings of their investigation are presented in Table 1.

**Table 1: Rural Women Entrepreneurs' Level of Utilization of Governments' Various Entrepreneurs Empowerment Schemes**

Scheme / Programs	Level Utilization of Scheme / Programs						
	Not at all Used (Weight 0)	Sparingly Used (Weight 2)	Used at times (Weight 1)	Total Non-Utilization	Used Regularly (Weight 1)	Used always (Weight 2)	Total Utilization
Pradhan Mantri Jan Dhan Yojana (PMJDY)	64 (0.00)	68 (136.00)	92 (92.00)	228 (34.13)	114 (228.00)	212 (212.00)	440 (65.87)
Atal Pension Yojana (APY)	75 (0.00)	94 (188.00)	92 (92.00)	280 (42.49)	90 (180.00)	199 (199.00)	379 (57.51)
Pradhan Mantri Vaya Vandana Yojana (PMVVY)	88 (0.00)	84 (168.00)	102 (102.00)	270 (42)	90 (180.00)	186 (186.00)	366 (57.55)
Stand Up India Scheme	126 (0.00)	84 (168.00)	50 (50.00)	218 (31.19)	191 (382.00)	99 (99.00)	481 (68.81)
Pradhan Mantri Mudra Yojana (PMMY)	51 (0.00)	72 (144.00)	99 (99.00)	243 (35.68)	110 (220.00)	218 (218.00)	438 (64.32)
Pradhan Mantri Suraksha Bima Yojana (PMSBY)	70 (0.00)	88 (176.00)	84 (84.00)	260 (35.86)	157 (314.00)	151 (151.00)	465 (64.14)
Sukanya Samridhi Yojana	14 (0.00)	64 (128.00)	81 (81.00)	209 (26.22)	197 (394.00)	194 (194.00)	588 (73.78)
Jeevan Suraksha Bandhan Yojana	57 (0.00)	88 (176.00)	97 (97.00)	273 (38.72)	124 (248.00)	184 (184.00)	432 (61.28)
Credit Enhancement Guarantee Scheme (CEGS) for Scheduled Castes )	14 (0.00)	20 (40.00)	44 (44.00)	84 (8.81)	398 (796.00)	74 (74.00)	870 (91.19)
Venture Capital Fund for Scheduled Castes under the Social Sector Initiatives	20 (0.00)	87 (174.00)	54 (54.00)	228 (30.08)	141 (282.00)	248 (248.00)	530 (69.92)
Varishtha Pension Bima Yojana (VPBY)	52 (0.00)	68 (136.00)	97 (97.00)	233 (32.36)	154 (308.00)	179 (179.00)	487 (67.64)
Pradhan Mantri Jan Dhan Yojana	58 (0.00)	157 (314.00)	88 (88.00)	402 (52.62)	115 (230.00)	132 (132.00)	362 (47.38)

MUDRA Yojana	74 (0.00)	32 (64.00)	38 (38.00)	102 (16.35)	116 (232.00)	290 (290.00)	522 (83.65)
Pradhan Mantri Jeevan Jyoti Bima Yojana	44 (0.00)	187 (374.00)	112 (112.00)	486 (60.98)	104 (208.00)	103 (103.00)	311 (39.02)
Pradhan Mantri suraksha Bima Yojana	24 (0.00)	104 (208.00)	97 (97.00)	305 (38.22)	168 (336.00)	157 (157.00)	493 (61.78)
Varishtha Pension Bima Yojana (VPBY)	41 (0.00)	101 (202.00)	94 (94.00)	296 (38.85)	152 (304.00)	162 (162.00)	466 (61.15)
Sukanya Samridhhi Yojana	62 (0.00)	98 (196.00)	102 (102.00)	298 (42.69)	112 (224.00)	176 (176.00)	400 (57.31)
National Strategy for Financial Inclusion	76 (0.00)	124 (248.00)	145 (145.00)	393 (55.98)	104 (208.00)	101 (101.00)	309 (44.02)
Stree Shakti Package for Women Entrepreneurs	64 (0.00)	147 (294.00)	102 (102.00)	396 (53.51)	107 (214.00)	130 (130.00)	344 (46.49)
Dena Shakti Scheme	31 (0.00)	88 (176.00)	62 (62.00)	238 (30.43)	175 (350.00)	194 (194.00)	544 (69.57)
Cent Kalyani Scheme CLCS(credit linked Capital subsidy)	66 (0.00)	94 (188.00)	105 (105.00)	293 (46.21)	108 (216.00)	125 (125.00)	341 (53.79)
UDAAN	68 (0.00)	120 (240.00)	151 (151.00)	391 (54.84)	111 (222.00)	100 (100.00)	322 (45.16)

Source: Computed from primary data

With regard to the 550 respondents in total, the maximum number of government schemes were utilized is more than half of the selected respondents. The detailed of finding results were as follows: 65.87 per cent was utilized Pradhan Mantri Jan Dhan Yojana (PMJDY), 57.51 per cent was utilized Atal Pension Yojana (APY), 57.55 per cent was utilized Pradhan Mantri Vaya Vandana Yojana (PMVVY), 68.81 per cent was utilized Stand Up India Scheme, 64.32 per cent was utilized Pradhan Mantri Mudra Yojana (PMMY), 64.14 per cent was utilized Pradhan Mantri Suraksha Bima Yojana (PMSBY), 73.78 per cent was utilized Sukanya Samridhhi Yojana, 61.28 per cent was utilized Jeevan Suraksha Bandhan Yojana, 91.19 per cent was utilized Credit Enhancement Guarantee Scheme (CEGS) for Scheduled Castes ), 69.92 per cent was utilized Venture Capital Fund for Scheduled Castes under the Social Sector Initiatives, 67.64 per cent was utilized Varishtha Pension Bima Yojana (VPBY), 47.38 per cent was utilized Pradhan Mantri Jan Dhan Yojana , 83.65 per cent was utilized MUDRA Yojana, 39.02 Pradhan Mantri Jeevan Jyoti Bima Yojana, 61.78 Pradhan Mantri suraksha Bima Yojana, 61.15 per cent was utilized Varishtha Pension Bima Yojana (VPBY), 57.31 per cent was utilized Sukanya Samridhhi Yojana, 44.02 per cent was utilized National Strategy for Financial Inclusion, 46.49 per cent was utilized Stree Shakti Package for Women Entrepreneurs, 69.57 per cent was utilized Dena Shakti Scheme, 53.79 Cent Kalyani Scheme CLCS(credit linked Capital subsidy), 45.16 per cent was utilized UDAAN.

## CONCLUSION

Entrepreneurship results in the establishment of small and medium-sized enterprises, which in turn generates money, jobs, and an improvement in living standards while making the best use of a nation's financial, material, and human resources. Government initiatives can assist Indian business owners in expanding their small enterprises. They receive financial support, subsidies, and assistance from these schemes. Only when beneficiaries are aware of the schemes can they take advantage of their benefits. The awareness of government schemes among entrepreneurs is the subject of the current study. According to the aforementioned study, there was a lack of entrepreneurship scheme utilization by entrepreneurs during the early stages of program implementation. However, because of various awareness campaigns spread through various social media platforms, the level of utilization has rapidly increased. It is also discovered that a number of entrepreneurs had benefited from and still is benefiting from various central government provided schemes.

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