

Role of Financial Institutions in Entrepreneurial Development with special reference to Women Entrepreneurs

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Abstract- *The World is in startup era. In that many new entrepreneurs are influencing with their innovative ideas. Such innovative entrepreneurship now a prominent factor to take off economic activities. Here, from the past few decades irrespective of men, women entrepreneurs playing a vital role in the economic activities. Besides our society should also rethink about facilities which are provided to the women entrepreneur by recognizing their ideas and abilities. Now the government also motivating entrepreneurs, because the entrepreneurship is a key factor to provide employment which leads to economic growth of our nation. So, so many governmental & non-governmental organizations but financial institutions providing support to women entrepreneurs for their innovative ideas and activities. Aimed at skill development for employment and revenue generation in different fields. Despite, the support and effect of these financial institutions the women entrepreneur facing so many difficulties related with credit has been pointed out by case studies. Historically, our financial institutions viewed women entrepreneurs more doubtful than men entrepreneurs. Today the women entrepreneurs proved that the view of financial institutions were wrong by their development and outcomes. Therefore now the time to encourage and educate entrepreneurs with financial, technical assistance .hence, governmental & non-governmental approach to make entrepreneurship a success by developing individual organizational skills of women entrepreneurs as per market potential.*

INTRODUCTION

Entrepreneurship plays an important role of the country. It's renowned undeniable fact that entrepreneurs are born however they will even be created through innovative and inventive interventions. But men and women at giant aren't showing adequate of skills and also the women's position is more critical. Therefore, they must be helped notably wherever women entrepreneurs are at risk of face a lot of hurdles. The work of Boserup analysis expertise in Asian country and provided a research analysis on women and

Development. Theorists observing the link between women and development rather than the ways for integration women in economic development. Women and development like women in development cantered on productive sector, and aimed toward skill development for financial gain.

1. Financial Institutions and NGOs: Many financial institutions and banks are taking part in a big role within the development of women entrepreneurship. Number of them are represented below Governmental Institutions: Regional Rural Bank, Cooperative Societies, khaddar and Village Industries, National Agriculture Bank for Rural and Development operate in rural areas whereas National small Business Development Corporation, research Development Corporation, National Institute for Entrepreneurship operates in urban areas. For example in Bangalore region Bank's Centre for Entrepreneurship Development offers coaching to women and helps them to line up small industrial units besides providing help for promoting their product. the help by the govt. to women entrepreneurship has been provided through numerous institutions like SIDO, DIC, EDI, NAYE, NISIET, SIDBI, SEF, WCFC and business banks etc.

Small and Medium Entrepreneurs, Xavier Institute for Social Societies are functioning in rural areas whereas National Association of Women Entrepreneurs and Executives, Indian Council of Women Entrepreneurs is working in urban areas. National Alliance of Young Entrepreneurs, Self Employed Women's Association etc. are having their presence in rural as well as urban areas. There are many promotional governmental and nongovernmental institutes/agencies functioning at national level for the promotion of entrepreneurship. These are also playing significant role in the development of women entrepreneurship.

2. Schemes : With a view that women entrepreneurs ought to step forward in industrial field and become self- adequate, governmental and financial institutions have declared several schemes of providing financial help. Seed capital Scheme- so

as to begin one's own business this scheme is undertaken by the govt. Mohanty advised that various self-employment and financial gain generating schemes like IRDP, SEEUY, PMRY, SSI, KVI and DWCRA enforced in Orissa have created vital contribution towards economic empowerment and self-employment of women and development of women entrepreneurship.

3. Government agencies are boards: khadi and Village Industries Board, small Industries Service institutions, Mahila Vikash Sambaya Nigam and Rashtriya Mahila Kosh were contacted for this purpose. The Rastriya Mahila Kosh primarily fulfills the credit wants of poor women notably, those engaged within the unorganized sector not being adequately self-addressed by the formal financial institutions. This boars aims at promoting small enterprises among poor women through provision of credit as an instrument to socio-economic amendment and development through the provision package of financial and social development service for the development of women entrepreneurship.

4. Obstacles by financial Institutions: Despite the efforts of governmental and NGO the women entrepreneurs face several issues.

In various studies it had been reportable that over seventieth of the issues faced by the women entrepreneurs are connected with credit.

a. Objective of the study:

the objective of this study is to analyze the involvement of financial institutions within the development of women entrepreneurship in state to offer financial, technical, social and business support to women entrepreneurs .women entrepreneurship has been recognised as a very important source of economic process. Women's entrepreneurship will create a powerful the economic well-being of the family and communities, poorness reduction and women's empowerment.

b. Policies for women Entrepreneurs in India: In India, the Micro, small & Medium Enterprises development organisations, various State small Industries Development corporations, the Nationalised banks and even NGOs are conducting various programmes as well as Entrepreneurship Development Programmes to cater to the requirements of potential women entrepreneurs, without adequate educational background and skills. The MSME has additionally opened a women Cell to provide coordination and help to women entrepreneurs facing specific issues.

There also are several alternative schemes of the govt. at central and state level, which offer help for setting up training-cum-income generating activities for necessitous women to create them economically independent. Small Industries Development Bank of India (SIDBI) has also been implementing special schemes for women entrepreneurs.

Additionally to the special schemes for women entrepreneurs, numerous government schemes for MSMEs additionally offer certain special incentives and concessions for women entrepreneurs. for example, under Prime Minister's Rozgar Yojana (PMRY), preference is given to women beneficiaries. the govt. has additionally created many relaxations for women to facilitate the participation of women beneficiaries in this scheme. Similarly, under the MSE Cluster Development Programme by Ministry of MSME, the contribution from the Ministry of MSME varies between 30-80% of the entire project just in case of hard intervention, however within the case of clusters owned and managed by women entrepreneurs, contribution of the MSME might be upto 90% of the project cost.

c. Women Entrepreneurship Through financial institutions in India:

Women entrepreneurship has been recognised as a vital source of economic development. Women entrepreneurs create new jobs for themselves , others and offer society with different solutions to management, organisation and business issues. However, they still represent a minority of all entrepreneurs. Women entrepreneurs usually face gender based barriers to beginning and growing their businesses, like discriminatory property, marital status and inheritance laws and/or cultural practices; lack of access to formal finance mechanisms; restricted mobility and access to info and networks, etc.

Women's entrepreneurship will create a very strong contribution to the economic well-being of the family and communities, poverty reduction and women's empowerment. Thus, governments across the globe also as various developmental organizations are actively endeavour promotion of women entrepreneurs through various schemes, incentives and promotional measures.

d. Credit for Women:

Not as long as you are a entrepreneur will apply or get a loan, however in India, women are equally entitled to urge bank loan. There aren't many women with the data, to require advantage of loans offered by public sector banks. Indian business women are still a minority. The awareness

among women regarding loan product to line up small enterprise is very low. However, things have undoubtedly modified over last 25 years since the time the first business loans scheme was introduced exclusively for women. Some Indian Public Sector Banks (PSBs) play a vital role. State Bank of India (SBI) Stree Shakti package theme was introduced with the aim to urge loans for women who are keen to start-up a business. Punjab Commercial Bank (PNB) also runs a scheme Mahila Udyam Nidhi scheme that is useful in a same concern. Bank of India's, Priyadarshini Yojana scheme, no collateral security is needed for loans up to Rs 5 lakh and for small-scale industries (SSI) units and there's a relief of interest rates from 0.5% to 1%. Similarly, Oriental Bank of Commerce's Orient Mahila Vikas Yojana scheme, there's upto 2 concessions and no collateral security for loans upto Rs.10 lacs and just in case of SSI no collateral security needed up to Rs.25 lacs.

5. India's private and state-run banks schemes for women entrepreneurs:

State bank of Mysore and Hyderabad: Stree Shakti Package for women Entrepreneurs: monetary help is earmarked for enterprises wherever a woman owns a majority stake, that is over and above 51 percent equity within the firm. Women entrepreneurs who have participated in state-sponsored EDPs or programs co-sponsored / sponsored by SBM are eligible to apply for financial help.

Punjab National Bank: PNB Mahila Udyam Nidhi Scheme especially for the micro, small scale industries and the rehabilitation of SSI units.

Punjab and Sind Bank: Udyogini Scheme. This scheme designed for micro and small scale manufacturing units; the retail sector; the agriculture sector.

Oriental Bank of Commerce: Scheme for Professional & Self-Employed Women. Provides term loans for the purchase of fixed assets;

Dena Bank: Dena Shakti Scheme for Women Entrepreneurs: The scheme covers agriculture and allied activities specially for women.

CONCLUSION

Entrepreneurship as a factor of economic development is currently recognized. variety of financial institutions offer support to women entrepreneurs for her innovative and inventive theme of activities aimed toward ability development for financial gain and employment generation in numerous sectors. women entrepreneurs have

tasted adequate amount of success in carving a position for themselves. however, the parable that funding a woman run business may be a huge risk still persists. they're still beneath the notion that women entrepreneurs will ne'er handle pressure as great as men and this could eventually mean solely failure. it's only if individuals begin of this legend can woman entrepreneurs thrive and that they would be ready to contribute to the economic development of the country and are available with equivalence therewith of their male counterparts.

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