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A STUDY ON AWARENESS TOWARDS GOVERNMENT SCHEMES FOR WOMEN ENTREPRENEURS

Dr.C.K.Deepa
Head of the Department & Associate professor

Dr.G.K.Lavanya
Research Supervisor & Assistant Professor
PG & Research Department of Commerce, Shri.Shankarlal Sundarbai Shasun Jain college for Women

ABSTRACT

Women entrepreneurship has emerged as a significant driver of economic growth and social change in India, yet a large section of women running small enterprises remain outside the ambit of institutional financial support because they are unaware of, or unable to access, government schemes designed for them. This study examines the level of awareness among women entrepreneurs in Chennai city towards government schemes such as the Mudra Yojana, Stree Shakti Package, Annapurna Scheme, Udyogini Scheme, Orient Mahila Vikas Yojana and Mahila Udyam Nidhi Scheme. Using a structured questionnaire administered to 176 respondents through area and simple random sampling, the study applies percentage analysis, mean scores and chi-square tests to examine the demographic profile of respondents and its association with scheme awareness and usage. The findings indicate that while a majority of respondents (69.9%) are aware of government schemes, a considerable gap persists in actual utilisation, largely on account of poor service delivery, lack of information and cumbersome procedures. The study concludes with recommendations for enhancing outreach, streamlining processes, and bolstering entrepreneurial education so that government initiatives more successfully transfer into women's economic empowerment.

Keywords: Women Entrepreneurs, Government Schemes, Financial Inclusion, Mudra Yojana, Chennai City

1. INTRODUCTION

Women constitute nearly half of India's population, and their participation in economic activity has grown markedly since the liberalisation of the Indian economy in the early 1990s. An entrepreneur is broadly understood as a person who identifies an opportunity and takes the initiative to build an enterprise around it; when this role is undertaken by women, it carries the added significance of challenging traditional social structures that have long confined women to domestic responsibilities. Women entrepreneurs today are present across sectors such as information technology, food processing, beauty and wellness, textiles, healthcare and event management, and are increasingly recognised as a distinct economic force rather than a peripheral one.



Recognising this shift, financial institutions and the Government of India have introduced a range of schemes offering relaxed collateral norms, concessional interest rates and dedicated counselling cells to support women in starting and scaling businesses. Prominent among these are the Stree Shakti Scheme, Orient Mahila Vikas Yojana, Mudra Yojana, Annapurna Scheme, Bharatiya Mahila Bank Scheme and Mahila Udyam Nidhi Scheme. However, the mere existence of such schemes does not guarantee their reach; awareness, accessibility and ease of procedure remain critical determinants of whether women entrepreneurs, particularly those running small and micro enterprises, actually benefit from them. This study attempts to assess the extent of this awareness among women entrepreneurs in Chennai city and to identify the barriers that prevent fuller utilisation of these schemes.

2. STATEMENT OF THE PROBLEM

Despite the introduction of numerous government schemes aimed at promoting women entrepreneurship, a large proportion of women running small businesses continue to depend on informal sources of finance or operate without institutional support. Many women entrepreneurs are either unaware that such schemes exist or find the application procedures too cumbersome to navigate. This gap between scheme availability and actual awareness/utilisation raises the question of whether government efforts are effectively reaching their intended beneficiaries. The present study therefore seeks to examine the level of awareness of women entrepreneurs in Chennai city towards these schemes, the demographic factors influencing this awareness, and the practical problems they face while attempting to access financial assistance.

3. OBJECTIVES OF THE STUDY

- To study the level of awareness among women entrepreneurs towards government schemes available to them.
- To analyse the influence of demographic factors of women entrepreneurs on the utilisation of such schemes.
- To identify the problems faced by women entrepreneurs while applying for government schemes.
- To suggest measures for government bodies and financial agencies to popularise financial assistance schemes among women entrepreneurs.

4. SCOPE OF THE STUDY

The study is limited to women entrepreneurs in Chennai city and looks at their awareness and experience of government schemes for entrepreneurship. It does not include women entrepreneurs in other cities or states. Primary data was collected by distributing structured questionnaire to 176 respondents including demographic profile, business characteristics, awareness levels and problems faced while accessing government schemes..

5. LIMITATIONS OF THE STUDY

- The study is limited to women entrepreneurs in the city of Chennai only and the findings may not be applicable to other regions.
- The study covers a select set of government schemes and is not an exhaustive coverage of all the schemes available for women entrepreneurs



- Findings are based on a sample of 176 respondents and are subject to the usual limitations of sample-based research.
- The validity of the results depends on the accuracy and truthfulness of respondents' answers.
- Since data collection included respondents with limited literacy, some responses may carry inherent interpretive limitations.

6. RESEARCH METHODOLOGY

The study is based on primary data collected from 176 women entrepreneurs in Chennai city through a structured questionnaire administered via Google Forms. An area sampling method was used to select the sample area, followed by simple random sampling to select individual respondents. The data was analysed using percentage analysis, mean scores, and the chi-square test of association to examine relationships between demographic variables and scheme awareness/usage.

7. REVIEW OF LITERATURE

Uma and Ramesh (2018) examined institutional support for women entrepreneurs in Karnataka and recommended lower interest rates and more sustained awareness programmes by financial institutions.

Ashok, Selvam et al. (2018) studied awareness of government schemes among 200 women in Vellore and found that women entrepreneurs, despite being motivated and value-driven, needed greater exposure to available schemes.

Mahendran and Rajan Babu (2015) found that 45% of women entrepreneurs in Nagapattinam district were unaware of government schemes beyond the Prime Minister Rozgar Yojana, and that many who were aware still lacked knowledge of the availing procedure.

Shiralashetti (2013) surveyed 1,250 women entrepreneurs across North Karnataka and concluded that awareness levels needed to be substantially improved to encourage self-employment income.

Rahman (2015) studied 107 women entrepreneurs in Chennai's industrial estates and found education, prior experience and government policy support to be significant motivators for entrepreneurship.

Rathiranee and Semasinghe (2014) examined women entrepreneurs supported by microfinance in Jaffna, Sri Lanka, and recommended greater awareness on savings, risk management and access to financial services.

P. Sedamkar (2011) found that rural women entrepreneurs were largely unaware of central and state government policies and recommended targeted awareness drives.

Sathiyabama and Velmurugan (2019) assessed the awareness level of women entrepreneurs towards government schemes in Coimbatore district and identified gaps similar to those found in other regional studies.

Nirmala (2014) and Hariharaputhiran (2014) reviewed the range of government schemes for women entrepreneurship and the institutional network supporting it, concluding that policy support has improved but still requires stronger last-mile delivery.



Danish (2016) and Sharma (2013) documented the financial, marketing and family-related problems faced by women entrepreneurs in India and called for more consistent enforcement of supportive guidelines by government and financial institutions.

Collectively, these studies point to a consistent finding across regions: government schemes for women entrepreneurs exist in reasonable variety, but awareness and effective utilisation remain uneven, shaped by education, location, and the quality of institutional outreach. This provides the empirical basis for examining the same question in the context of Chennai city.

8. CONCEPTUAL FRAMEWORK

In India, government programs for women entrepreneurs are implemented either as central sector schemes, fully funded and administered by the central government, or as centrally sponsored schemes, jointly funded by the center and state governments in varying proportions. The main schemes that are relevant to this study are summarized below.

Scheme	Key Features
Mudra Yojana Scheme	A flagship central government scheme to "fund the unfunded", offering collateral-free loans of up to Rs. 10 lakh under three categories – Shishu (up to Rs. 50,000), Kishor (Rs. 50,000–Rs. 5 lakh) and Tarun (Rs. 5–10 lakh) – to small non-corporate business owners.
Stree Shakti Package	Offered by the State Bank of India, this scheme extends loans to women-owned enterprises with concessional interest and reduced margin requirements; no collateral is required for MSME loans up to Rs. 10 lakh.
Annapurna Scheme	Extended by the State Bank of Mysore/Bharatiya Mahila Bank to women setting up food catering businesses, offering loans up to Rs. 50,000 repayable over 36 months, with the first month's EMI waived.
Udyogini Scheme	Offered by Punjab and Sind Bank for women aged 18–45 in agriculture, retail and small business enterprises, providing loans up to Rs. 1 lakh at concessional rates, with income ceilings applicable.
Orient Mahila Vikas Yojana	Launched by Oriental Bank of Commerce, offering collateral-free loans between Rs. 10–25 lakh to small-scale women-owned enterprises, with a 2% interest concession and doorstep microcredit services in rural areas.
Mahila Udyam Nidhi Scheme	Designed to bridge equity gaps for women-led MSMEs, offering soft loans of up to Rs. 10 lakh repayable over 10 years, covering ventures such as beauty parlours, daycare centres and small transport businesses.



These schemes share common design features – relaxed collateral norms, concessional interest rates and simplified documentation – intended to lower entry barriers for women. Whether these design intentions translate into actual awareness and usage among women entrepreneurs is examined empirically in the following section.

9. DATA ANALYSIS AND INTERPRETATION

This section presents the demographic profile of respondents and their awareness towards government schemes, based on primary data collected from 176 women entrepreneurs in Chennai city.

9.1 Demographic Profile of Respondents

Variable	Category	Percentage (%)
Gender	Female	86.4
	Male	13.6
Age	20–35 years	54.0
	36–50 years	34.7
	Below 20 / Above 50	11.4
Education	UG / PG	76.1
	HSC	11.4
	Professional	12.5
Marital Status	Unmarried	56.8
	Married	43.2
Monthly Income	Below Rs. 20,000	45.5
	Rs. 20,000–40,000	39.8
	Above Rs. 40,000	14.8

Interpretation: *The respondent profile is dominated by women aged 20–35 years (54%) with UG/PG qualifications (76.1%), the majority unmarried (56.8%) and earning below Rs. 20,000 per month (45.5%), indicating that awareness and support needs are concentrated among younger, moderately-educated, lower-income women entrepreneurs.*

9.2 Business Profile and Motivation

Variable	Category	Percentage (%)
Business Type	Others (petty shops, hotels, etc.)	37.5
	Beauty Parlours	21.6
	Tailoring	17.0
	Boutique	13.6
	Vegetable Vendor	10.2



Variable	Category	Percentage (%)
Reason to Start Business	Financial Need	35.2
	Did Not Want to Work for Others	33.0
	Passion	31.8
Problem Faced While Starting	Lack of Information	45.5
	Financial Problems	29.5
	Management Skill	25.0

Interpretation: *Financial need is the leading motivation for starting a business (35.2%), and lack of information – rather than lack of finance alone – emerges as the most cited problem while starting up (45.5%), underscoring an information gap as much as a credit gap.*

9.3 Awareness and Utilisation of Government Schemes

Particulars	Category	Percentage (%)
Aware of Government Schemes	Yes	69.9
	No	30.1
Scheme Applied	Mudra Yojana Scheme	41.5
	Annapurna Scheme	29.0
	Not Applicable	29.5
Interest Rate Paid	5%–10%	36.4
	10%–20%	36.4
Scheme Amount Availed	Rs. 50,000–100,000	38.6
	Above Rs. 200,000	29.5
Source of Knowledge	Newspaper	27.8
	Television / Social Media	20.5 each
Reason for Non-Availment	Poor Service Provided	36.4
	Didn't Feel the Need	22.7
	Lack of Knowledge	21.0
Problem in Applying	Not Aware of the Scheme	28.4
	Premium Rate	25.6

Interpretation: *While 69.9% of respondents report awareness of government schemes, actual usage concentrates around the Mudra Yojana (41.5%) and Annapurna Scheme (29.0%), with*



nearly a third of respondents not having availed any scheme. Poor service delivery (36.4%) and lack of awareness of specific scheme details (28.4%) are the dominant reasons for low utilisation, more so than the interest rate itself.

9.4 Chi-Square Test of Association

Hypothesis Tested	Pearson Chi-Square Value	df	Significance (2-sided)	Result
Business type × Awareness of government schemes	22.219	4	< .001	H0 rejected – significant association
Age × Business type of respondent	31.879	12	.001	H0 rejected – significant association

Interpretation: *Both chi-square tests are significant at the 5% level, indicating that a woman entrepreneur's type of business is significantly associated with her awareness of government schemes, and that age is significantly associated with the type of business undertaken. This suggests that awareness campaigns may need to be tailored by business category and age group rather than applied uniformly.*

10. FINDINGS

- A majority of respondents (86.4%) are female, aged between 20–35 years (54.0%), and hold UG/PG qualifications (76.1%).
- Most respondents (56.8%) are unmarried and earn a monthly income below Rs. 20,000 (45.5%).
- Financial need (35.2%) is the primary motivator for starting a business, while lack of information (45.5%) is the leading problem faced at start-up.
- 69.9% of respondents are aware of government schemes, but usage is concentrated in just two schemes – Mudra Yojana (41.5%) and Annapurna (29.0%).
- Poor service delivery (36.4%) and lack of awareness of scheme details (28.4%) are the biggest barriers to availing schemes, more significant than interest rates.
- Newspapers and social media are the leading sources through which respondents learn about government schemes.
- Business type and age are both significantly associated with awareness and choice of business (chi-square, $p < .05$).

11. SUGGESTIONS

- Financial institutions and government bodies should conduct sustained, localised awareness campaigns rather than one-time drives.
- Simplification of documentation and application procedures would reduce the drop-off caused by “various procedures” and delay in transactions.
- Entrepreneurial education, including awareness of available schemes, should be introduced at the higher secondary level to build early familiarity.



- Dedicated women entrepreneur support cells or clubs at the ward/locality level can improve last-mile information delivery.
- Service quality at points of disbursal needs to be improved, since poor service – not high interest – was the leading deterrent identified.
- Digital and social media channels should be leveraged more actively, given their growing role as an information source among younger entrepreneurs.

12. CONCLUSION

Women constitute nearly half of India's population, and their fuller participation in entrepreneurship remains central to inclusive economic growth. The Government of India has introduced several schemes – Stree Shakti, Udyogini, Mudra Yojana and Mahila Udyam Nidhi among them – to support women entrepreneurs, and this study finds that awareness of such schemes among women entrepreneurs in Chennai city is reasonably high at 69.9%. However, this awareness does not fully translate into utilisation: poor service delivery, procedural complexity and gaps in detailed scheme knowledge continue to limit the reach of these schemes, particularly among entrepreneurs running smaller, informally organised businesses. Bridging this awareness-to-utilisation gap through sustained outreach, simplified processes and localised support structures would allow government schemes to more effectively translate into women's economic empowerment. As former President Dr. A.P.J. Abdul Kalam observed, empowering women is a prerequisite for building a stable and prosperous nation.

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