

A Study on Socio-Economic Impact on Women Owned Enterprises funded by Canara Bank MSME Section

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Abstract:

Banks play a vital role in development of economy, industry and trade. The MSME has emerged as a highly vibrant and dynamic sector of the Indian economy by contributing to GDP. Women in India are well educated and have ample knowledge of business like how to setup business provide proper training for employees, recruitment and selection process, provide equal opportunities to employees both men and women, how to run a business, how to earn profit etc. To give a supporting hand, banks have introduced many schemes to fund them. This project involves the study of socio-economic impact of women owned enterprises in MSME section at Canara Bank with a special focus on MSME sector. This study is focused on two schemes namely MSME VIJETA and STAND UP INDIA schemes which are provided to women entrepreneurs from bank. The project involves analytical study and was completed through a survey. Anova and Correlation were used to analyze the data and conclusion was drawn out the survey.

Key words: women entrepreneurs, MSME, Canara Bank schemes, Socio-Economic development.

Introduction:

Indian women are considered as a source of power. In earlier times, men were taken into consideration to be the main contributors of a family. They have been accountable for incomes, livelihood and were the decision takers of the family, women were responsible for household work and upbringing of the children. A Women Entrepreneur includes a woman or a group of women who initiate, operate and organize a business enterprise. The enhancement of women and girl as a significant human resource, numerous programmes for their growth and development. The Indian banking system is the backbone of the country's economy, and it is significant in the society. Education should be available in order to compute personal savings, according to the bank's principal goal.

Review of Literature:

Mrs. Bharathy, Dr. Narayan Kayarkatte (2022) This article looks into the idea of women entrepreneurs, the issues that women face as well as government initiatives and its growth. In order to facilitate further research it aims to complete gap in the literature. A survey of the literature on various facts women entrepreneurs in India. There are major gaps in the study of women entrepreneurs. This study will offer a historical perspective on women entrepreneurs in India and help researchers create a conceptual frame work for connecting their studies on the most important issues. **G. Palaniappan**, (2021) In this research, the author investigated how women have overcome hurdles. Women are entering the corporate world for different reasons like being skilled, expertise and flexible. The purpose for this study was to examine the environmental opportunities and threats that support entrepreneurship. It also provides recommendations for foresting women entrepreneurs in Tamil Nadu. This study came to a conclusion that they are unable to thrive in the market. **Aggarwal, M. and Johal,**

R.K. (2021), The government has shown interest in the entrepreneurial activities of rural women. This study uses a comprehensive literature review and bibliometric analysis to annotate to identify the relationship between rural women and entrepreneurship. By evaluating the work published in this area of rural women entrepreneurship it also has certain direction for existing research. **Surangi H. A** (2020) the author conducted a thorough assessment of the literature on women entrepreneurship. This research has a goal to provide a concentration on two factors about women entrepreneurs. The primary topic of women entrepreneurship that are capturing the academic community interest. This research is based on citation analysis. A number of challenges were identified, the importance of family as the primary duty, particular nature of networking. **Lall Madhurima and Sahai Shikha** (2019) the author in this paper discussed about the psychographic characteristics like level of commitment, entrepreneurship problems, future expansion of plans. According to the study, the traits of a business owner include self-perception, self-esteem and operational issues for future development. The study revealed that these women still have a lower status and suffer greater operational difficulties.

Need for the study:

Banks have been compelled by banking sector reforms to examine financing for women owned enterprises through MSME section. Banks and other financial institutions develop techniques that are appropriate for funding women entrepreneurs. Bank loan programmes and loan compatibility with MSME sector needs to fulfill the goal of timely credit provisions to women entrepreneurs. The bank offers a range of loans and programmes to women business owners so they may launch a new venture. Women will experience a variety of issues both before and after taking loans, which include interest rates, a lack of sufficient information

about loans and programmes, raising customer awareness of loans a longer time until money realized. The scope of this study is the Canara Bank circle office, focuses on the schemes provided like MSME VIJETA and STAND UP INDIA. The study is restricted to significant programmes and loans offered to female entrepreneurs. The goal of the project is to support women in becoming financially independent and successful members of the society and helps bank to provide loans.

Objectives:

- To understand the facilities extended by bank for various schemes.
- To analyze the impact of facilities extended to women entrepreneurs.
- To examine the various problems and challenges to women entrepreneurs.

Methodology:**Type of research:**

This study is Descriptive in nature. The purpose of this research is to assess the impact of lending through MSME schemes on the business carried on by women entrepreneurs. The study describes the reasons for preferring loans offered by Canara Bank MSME section and its socio economic impact on business in terms of benefits and turnover of the business.

Scope of the Study:

This study includes women owned enterprises who have funded by MSME section of Canara Bank. For the purpose of the study two schemes namely MSME VIJETA and STAND UP INDIA are considered for assessing the impact on business.

Sources of data collection:

The data for this research is gathered through the data base provided by circle office Canara Bank. A structured questionnaire has been uses to gather responses from women entrepreneurs who has opted loan from MSME VIJETA and STAND UP INDIA scheme.

Population and sampling unit:

Population: The MSME department at Canara Bank has received 1356 loan request from women business owners for MSME VIJETA and STAND UP INDIA scheme.

Sampling Unit: The sample unit is taken as 80 women entrepreneurs who are running business and have availed loans from Canara Bank MSME section.

Sampling method:

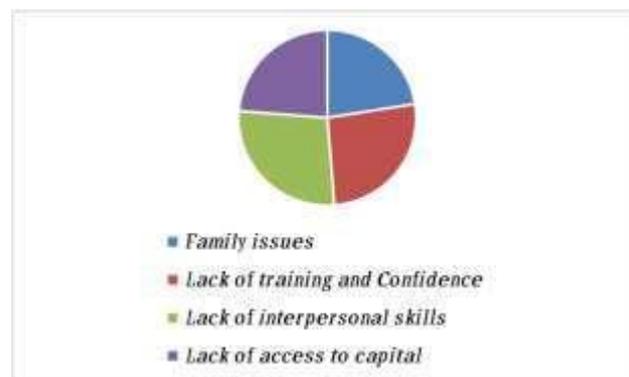
Systematic sampling: A probability sampling that includes selecting individuals from a larger population on a regular basis. The population size is divided by the required sample size to get the sampling interval, which has a specified period of time.

Sample size: It refers to the amount of people who have been included in a study to serve as a representative sample of the population. It includes 80 women business owners who received loans from Canara Bank, MSME division.

Statistical tools and Techniques:

The results of an organized survey were examined and translated using a variety of quantifiable methodologies and statistical tools like correlation, ANOVA, and chi-square test.

1. Problems faced while setting up a business:



The above graph indicates that the majority of the respondents say they have lack of interpersonal skills as a problem and many women face the same issues in setting up a new business, women should provide with proper training and skills to overcome this problem.

1. ANOVA Test to find if there is a significant difference between the schemes and facilities provided to female entrepreneurs.

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Min.	Max.
					Lower Bound	Upper Bound		
Insurance facility	13	1.31	.480	.133	1.02	1.60	1	2
Deferred payment	26	1.46	.508	.100	1.26	1.67	1	2
Overdraft facility	27	1.52	.509	.098	1.32	1.72	1	2
Lines of credit	14	1.36	.497	.133	1.07	1.64	1	2
Total	80	1.44	.499	.056	1.33	1.55	1	2

Summary

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.502	3	.167		
Within Groups	19.186	76			
Total	19.688	79	.252	.662	.578

(H10) Null Hypothesis: There is no significant difference between the schemes and facilities provided by bank to women entrepreneurs.

(H11) Alternative Hypothesis: There is significant difference between the schemes and facilities provided by bank to women entrepreneurs.

Conclusion:

The table value is 2.99, the f value is 0.662, and the level of significance is 0.05. It can be inferred that (f-value) is less than the alpha value. Therefore, null hypothesis is rejected and alternative hypothesis is accepted. Hence it can be concluded that there is a significant difference between the schemes and facilities offered to women entrepreneurs through MSME section at Canara bank.

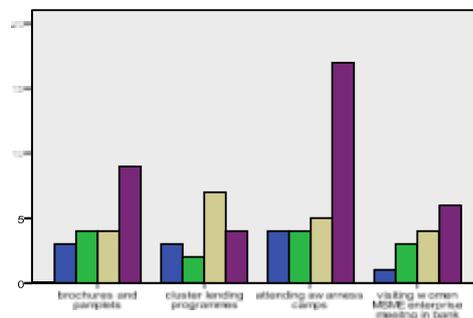
2. Chi-square test to find significant association with the level of awareness of Schemes provided by bank and the level of exposure for risk of payment of loan.

Awareness of schemes provided by bank	What is the exposure to the risk of Payment				Total
	Extremely High	High	Moderate	Low	
How you were aware about brochures and pamphlets	3	4	4	9	20
Schemes provided by cluster lending programmes	3	2	7	4	16
Attending awareness camps	4	4	5	17	30
Visiting women MSME	1	3	4	6	14
Enterprise meeting in bank	11	13	20	36	80

	Value	Df	Asymp. Sig.(2-sided)
Pearson Chi-Square	7.160 ^a	9	.620
Likelihood Ratio	7.129	9	.624
Linear-by-Linear Association	.547	1	.460
No of Valid Cases	80		

(H20) Null Hypothesis: There is no significant association with the level of awareness of Schemes provided by bank and the level of exposure for risk of payment of loan.

(H21) Alternative Hypothesis: There is significant association with the level of awareness of schemes provided by bank and the level of exposure for risk of payment of loan.



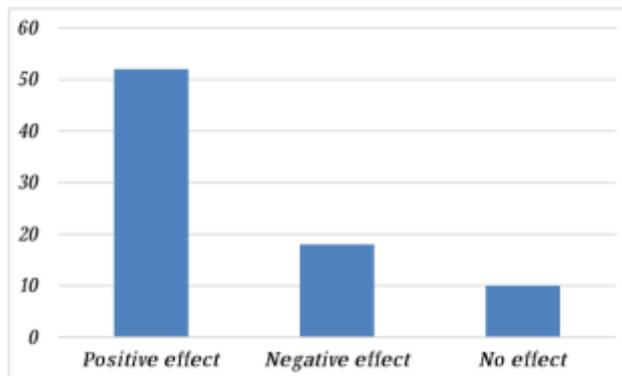
Conclusion:

Table value is more than Pearson value, hence null hypothesis is accepted and alternative hypothesis is rejected. There is significant association with the level of awareness of schemes provided by bank and the level of exposure for risk of payment of loan.

3. Correlation:

		What is the time duration for sanctioning loan	What is the period of realization of money
What is the Time Duration For sanctioning Loan	Pearson correlation sig.(2-tailed) N	1	.246 .028
What is the period of realization of Money	Pearson Correlationsig.(2 tailed) N	80 .246* .028 80	80 1 80

4. Impact of economic situation of an enterprise



Interpretation:

From the table above it is inferred that majority of respondents opine that there is positive effect on the economic status of an enterprise because the firm is having good income and also the scope of employment opportunities have enlarged.

Findings:

- The study reveals that majority of respondents are aware about the schemes provided by the bank.
- It is found that respondents have chosen Canara Bank schemes, since there is flexibility in the payments options with reference to time period.

- From the study, it is found that Canara bank takes pretty less time to sanction loans.
- There is a significant difference between the schemes and facilities provided to women entrepreneurs.
- There is no significant association between the level of awareness of schemes provided by bank and the level of exposure for risk of payment of loan.
- Majority of respondents opine that there is a positive impact on the economic situation of women owned enterprises through funding from Canara Bank and they have generated good earnings and created greater employment opportunities.

Conclusion:

The position of women in the workforce has changed significantly during the last several years. With the help of several organizations, such as the central government, financial institutions, department and ministry of MSME etc. businesses are able to endure, expand, and flourish despite obstacles like the recession, strict tax laws. High manufacturing costs. The results of this study have been used to explain to women from diverse socio- economic groups how they should change their perspective and stop seeing barrier to start a business. These strategies have motivated in present day business owners to maximize their entrepreneurship skills. The debates will increase the number of working women. This study is applicable only to Canara Bank MSME section and study is conducted through a survey, used many tools like ANOVA, Chi-square. This study is based on loans and schemes provided by bank to women entrepreneurs to start their own business.

Suggestions:

Since women entrepreneurs lack the resources, the government must conduct free promotional initiatives to assist them in capturing the market. Family support is essential for each member's success and gives women more confidence to launch their own enterprises. Women education has to be promoted since it ought to be must for everyone. MSME are the primary sector of the Indian economy, however owing to unfavorable marketing circumstances, there is a shortage of market access. Therefore, MSME should enhance its marketing strategies for improved outcome. Despite the fact that MSME offers employment prospects, the manufacturing industry lacks trained laborers. Therefore, educating personnel about their particular industries and providing training to them helps to save time and effort.

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