

## GOVERNMENT SCHEMES FOR WOMEN ENTREPRENEURS

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**Abstract :** *Women entrepreneurship has been recognized as an important source of economic growth. Women entrepreneurs create new jobs for themselves and others and also provide society with different solutions to management, organization and business problems. Women are growing in the field of entrepreneurship and developing the field in dynamic terms. Women can turn things their way when they wish to and it has been noted that they have been very consistent with progress. Women who wish to earn on their own and be businesswomen are encouraged in today's day and age because of the progress their gender has made in the field. Today's women entrepreneurs do not come only from the established business families or from the higher-income sections of the population, they come from all walks of life and from all parts of the country. However, they still represent a minority of all entrepreneurs. Women entrepreneurs often face gender-based barriers to starting and growing their businesses, like discriminatory property, matrimonial and inheritance laws and/or cultural practices; lack of access to formal finance mechanisms; limited mobility and access to information and networks, etc. This paper focuses on the role of the government in enhancing women entrepreneurship and various government schemes for women entrepreneurs.*

### Introduction :

Women entrepreneurship has been recognized as a very important supply of economic process. Women entrepreneurs produce new jobs for themselves and others and conjointly give society with completely different solutions to management, organization and business issues. However, they still represent a minority of all entrepreneurs. Women entrepreneurs usually face gender-based barriers to start and growing their businesses, like discriminatory property, marital status and inheritance laws and/or cultural practices; lack of access to formal finance mechanisms; restricted quality and access to data and networks, etc.

Women's entrepreneurship will build a very robust contribution to the economic well-being of the family and communities, impoverishment reduction and women's management, therefore tributary to the Millennium Development Goals (MDGs). Women's entrepreneurship will build a very robust contribution to the economic well-being of the family and communities, impoverishment reduction and women's management, therefore tributary to the Millennium Development Goals (MDGs). Thus, governments across the globe and others numerous organizations are taking actively measure and endeavor

promotion of women entrepreneurs through numerous schemes, incentives and promotional measures. India continues to see immense successful women entrepreneurs; Vandana Luthra, Kiran Mazumdar Shaw, Priya Paul, Ritu Kumar, Suchi Mukherjee, Aditi Gupta, Falguni Nayar, Vani Kola, Radhika Ghai Aggarwal, Indra Nooyi, Chandra Kochar and Ekta Kapoor being a few of them. Such women entrepreneurs encourage other aspiring women entrepreneurs to turn their dream into reality. However, a big part of chasing your dreams of starting a business, no matter how small, is capital. And as a way of encouraging such businesses, the Indian Government offers a financial boost specially designed for women entrepreneurs.

### **Role of Government to enhance women Entrepreneurship :**

1. Government has to establish proper training classes at least monthly ones to encourage entrepreneurial skills among rural women.
2. Bankers and government should organize loan awareness schemes programs in the villages to educate rural women about the benefits provided by them.
3. Develop a policy to verify the amount provided by the banks.
4. Encourage women entrepreneurs by providing gift schemes who perform business well and participate well in entrepreneurial skill programmes.
5. There should be a continuous attempt to inspire, encourage, motive and co-operate women entrepreneurs.
6. To organize training programmes to develop professional competencies in managerial, marketing, financial production process, profit planning, to maintaining books of accounts and other skills. This will encourage women to undertake business.
7. There is need to change negative attitude of society towards women
8. District Industries centers and single window agencies should make use of assisting women in their trade and business guidance.
9. Better educational facilities and schemes and vocational training programmes will be arranged for development of rural women entrepreneurship.

### **Various Government Schemes For Women Entrepreneurs :**

#### **1) Bharatiya Mahila Bank (BMB) business loan:**

BMB Inaugurated on 19th November 2019 and was merged with State Bank of India on 1st April 2017. This loan is for women who wanted to start their own business. It offered women entrepreneurs business loans up to 20 Crores for manufacturing enterprises with an interest of 10.15% and more. It also offers collateral-free loans up to 1 crore under Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) cover. The loans under this bank loan scheme are to be repaid in seven years.

#### **2) Annapurna Scheme:**

This loan is provided to women in the food catering industry, still establishing their small scale businesses. The loan allows these women entrepreneurs to avail it as capital requirements like buying equipment and utensils, setting up trucks, etc. Under this scheme,

women can sell packed food items and snacks which is one of the most common businesses that women entrepreneurs scope out and excel in since it is something that housewives have been managing all their lives and are accustomed to. This boosts their sales since they have a chance at better capital and new products to kickstart their business than they could otherwise afford. The loan limit is Rs. 50,000 under the scheme.

### **3) Stree Shakti Package:**

Women who have 50% share in the ownership of a firm or business and have taken part in the state agencies run Entrepreneurship Development Programmes (EDP) is eligible for this package. The scheme also offers a discounted rate of interest by 0.5% in case the amount of loan is more than 2 lakhs. For tiny sector units no security is required for loans up to Rs. 5 lakhs.

### **4) Orient Mahila Vikas Yojna Scheme:**

This scheme is for women who hold 51% share capital separately or collectively as a proprietary concern. It is a very good opportunity for these stakeholders to help expand their business and add to the development of their field. This scheme does not require collateral security while also giving a concession at the interest rate of up to 2%. The period of repayment is flexible up to 7 years and the loan limit is Rs. 25 Lakhs.

### **5) Dena shakti scheme:**

This scheme is provided by Dena bank to those women entrepreneurs in the fields of Agriculture & allied activities, Retail Trade, Micro Credit, Education, Housing and retail & small business enterprises. There is a concession of 0.25 % on rate of interest. Scheme offers loans up to Rs 20.00 lakhs under retail trade, Rs 20 lakhs under education and housing and Rs 50,000/- under micro credit.

### **6) Udyogini Scheme**

This program encourages women to be self-reliant and help them in self-development by empowering them economically to be able to do so. This scheme encourages budding women entrepreneurs by providing loans in the regards and giving good rates of interest in comparison to private sector skyrocketing rates, while also being a trustworthy source of lending. This is only valid for those who have a family income of less than Rs. 40,000 per annum. They especially encourage loans in the trade and service sector and the cap amount for the same is Rs. 1 Lakh.

### **7) Cent kalyani scheme:**

This scheme is offered by the Central Bank of India. And is for women business owners in multiple areas such as SMEs or agricultural work or retail trading. Under this scheme loans up to Rs.1 crore are sanctioned. There is no need of collateral and guarantors. There are no processing fees and interest rate varies according to market rates.

**8) Mahilaudyamnidhi scheme:**

This scheme is offered by Punjab National Bank and Small Industries Development Bank of India (SIDBI). This scheme provides financial assistance of up to Rs 10 lakh to set up a new small-scale venture. It also promotes upgrading and modernization of existing projects. And repayment period is 10 years. SIDBI also includes a moratorium period of maximum 5 years. The interest rate varies according to market rate.

**9) Mudra yojana scheme for women:**

This scheme offered by nationalized banks under the Pradhan Yojna. Which provides financial support to women entrepreneurs who want to start their own small businesses like day care, beauty salon, tuition, tailoring unit, etc. The loans between Rs.50,000 to Rs.50 lacks are sanctioned under this scheme. For loans below Rs.10 lack there is no need of collateral and guarantors. It has three plans

- i. Shishu – Offers loan upto Rs.50,000 for new businesses with interest 1% per month and repayment period is 5 years.
- ii. Kishore – Offers loan from Rs.50,000 to 5 lacks for well established businesses. Interest depends on bank, scheme guidelines and applicants credit history. Repayment also depends on bank's discretion.
- iii. Tarun – Offers loan from Rs.5 lacks to 50 lacks for business expansion. Here also interest depends on bank, scheme guidelines and applicants credit history. Repayment also depends on bank's discretion.

**10) TREAD (Trade Related Entrepreneurship Assistance and Development) scheme :**

This scheme aims to economic empowerment of women by providing credit (through NGOs), training, development and counseling extension activities related to trades, products, services etc. Government grant up to 30% of the total project cost as appraised by lending institutions which would finance the remaining 70% as loan assistance to applicant women.

**11) Pradhan Mantri Rozgar Yojna**

Also known as PMRY, this is one of the best schemes for women entrepreneurs both socially and financially. The focus of this scheme is on creating skill-based, self-employment through women entrepreneurs and smart minds at work being utilized for monetary independence. This scheme covers both urban and rural areas and was developed through several amendments in cost, eligibility, and subsidy limits. The loan subsidy amount is up to 15% of the project cost with an upper ceiling of Rs. 12,500 per borrower as a restriction. The scheme applies to all types of ventures in industries, trade and services. The age limit is 35 years and loan limit for business is Rs. 2 Lakh while for service and industry, Rs. 5 Lakh.

**Conclusion :**

Breaking centuries of conventions, Indian women have come out of their comfort zone and carved a niche for themselves in the business world. The corporate career has given them financial independence and an opportunity to demonstrate their managerial skills.

But, entrepreneurship took her much ahead and gave her the confidence to lead the world with an example. India currently has over 8.05 million women entrepreneurs. It is around 14% of the total Indian business industry. Apart from this, recent data also highlights that over 79% of women-owned enterprises are self-financed. Women participation in the field of entrepreneurship is increasing at considerable rate, efforts are being taken at the economy as well as global level to enhance woman's involvement in the enterprise sector. Educated Women is contributing to a great extent to the social transformation and in the future, will be seen that more women venturing into areas traditionally dominated by men.

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