

## **Women Entrepreneurship and Government Initiatives**

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### **ABSTRACT**

Women entrepreneurs have been making tremendous impact on all sectors of the global economy. Their eagerness for the future may be seen in their developing confidence, their abilities, and their drive to seek out other types of job in order to attain a new work-life balance. The economic, social, religious, cultural, and psychological aspects that exist in a society influence the emergence of entrepreneurs to a large extent. Women entrepreneurs are crucial participants in any industrialised economy, particularly in terms of their contribution to economic advancement. Women have performed exceptionally well in several sectors of activity such as academia, politics, administration, social work, and so on in today's changing reality. Women are increasingly conscious that entrepreneurship opens up a new sector for them, allowing them to pursue their desired job while being independent and self-sufficient. So, in the light of the background in the preceding para this research paper discovers the various initiatives taken in the past for encouraging women entrepreneurship.

**KEY WORDS:** - Women Entrepreneurship, Udyogini Scheme, Cent Kalyani Scheme, Mudra Yojana Scheme, Women Entrepreneurship Platform (WEP)

### **INTRODUCTION**

The economic, social, religious, cultural, and psychological aspects that exist in a society influence the emergence of entrepreneurs to a large extent.

Women entrepreneurs can be defined as "a woman or group of women who establish, organise, and administer a business operation." Women entrepreneurs are classified by the Indian government as women who participate in the ownership (control) and employment of a business enterprise. The Government of India has defined women entrepreneurs based on women participation in equity (control) and employment of a business enterprise. According to the Government of India "An enterprise owned and controlled by a woman with a minimum financial interest of 51 percent of the capital and at least 51 percent of the employment created in the enterprise to women,"

Women are no longer restricted to the home and the hearth. Women's entrepreneurial abilities have made an impact in a variety of fields, and women have also entered the industrial sector. It is the time to promote and tap women's entrepreneurship in a significant way. Women entrepreneurs are crucial participants in any industrialised economy, particularly in terms of their contribution to economic advancement. Following World War II, the number of self-employed women increased dramatically in developed countries around the world. Women own 25% of all enterprises in the United States, despite their revenues being less than two-fifths of those of other small businesses. Women own one-third of small enterprises in Canada and one-fifth in France. Since 1980, the number of self-employed women in the United Kingdom has increased three times faster than the number of self-employed men. Women account for roughly half of the world's population, and this is true in India as well. As a result, they are viewed as the better half of society. A distinction was made in traditional Indian society between "men's work" and "women's work," particularly for women with family responsibilities. It limited women's work opportunities in both traditional and non-traditional spheres of economic activity. Women's conditions have changed dramatically as a result of shifting periods and societal views. They now have the same standing as males and contribute equally to the growth of the economy.

Women's participation in small business has increased in recent years, even in underdeveloped countries. The women's entrepreneur movement has taken off, and it is believed that the movement has found traction and is in a period of change. According to research conducted by IIT Delhi on women

entrepreneurship, Indian women have aspirations to enter and thrive in all sectors on par with males. Despite their ambitions, they lag behind than female entrepreneurs in other nations such as Japan and China. Women in India have been referred to as the second sex, which is one of the key causes for this state of affairs. Women have performed exceptionally well in several sectors of activity such as academia, politics, administration, social work, and so on in today's changing reality. Women are increasingly conscious that entrepreneurship opens up a new sector for them, allowing them to pursue their desired job while being independent and self-sufficient. In the present period of globalisation and liberalisation, a revolutionary method has been introduced in our country, emphasising the importance of the female population. Because of the steady rise in the cost of living, it has become necessary for women to participate in economic activities in order to support their families. They have proven themselves in a variety of fields, as well as taking the risk of venturing into the forbidden realm of business. Women have been behaving like actual entrepreneurs, taking risks, managing resources, and embracing challenges in order to achieve economic independence and a strong standing in society. In the light of the above the present research tries to discover the initiatives taken by the Indian Government to support the women entrepreneurship.

### **OBJECTIVES AND METHODOLOGY**

The present paper focuses to discover the initiatives taken by the Indian Government to support the women entrepreneurship. The present paper is based on the secondary information taken from the different website quoted in the references.

### **GOVERNMENT INITIATIVES**

Women are natural at multitasking - a skill set that is most pivotal as entrepreneurs. However, the journey to becoming entrepreneurs from homemakers has been slow due to various socio-economic factors. While women have to face challenges in their homes and in society to become entrepreneurs, there has also never been a better time for it in India. The government has come out with initiatives to make it easier for women to set up their own enterprises. Some of the government initiatives that has taken to set up and grow business as a female entrepreneur are discussed below:

## **I Udyogini Scheme**

Women Development Corporation launched the Udyogini scheme to grant loans to women who want to start small businesses. The programme promotes the growth of microbusinesses and provides opportunities for underprivileged women in rural areas to earn a living. The Udyogini Scheme is designed for women who come from families with an annual income of less than Rs. 1.5 lakhs. Under this initiative, any woman who wishes to start a business in one of the 88 small-scale sectors can get a low-interest loan of up to Rs. 3 lakhs. Furthermore, the government wants to provide up to a 30% loan subsidy to make loan repayment more reasonable for women entrepreneurs. Fisheries, grocery, trailering, poultry, sewing, dairy, and bakeries are among the industries. Aside from that, anyone starting a farm business will be given an interest-free loan. The goal of this programme is to assist women from low-income families in becoming financially independent. The scheme intends to encourage financial empowerment, self-reliance, and the elimination of the first barriers that women face while starting a business. The programme also teaches women about business planning, pricing, fund management, and feasibility, among other things.

## **II Cent Kalyani Scheme**

The Cent Kalyani Scheme provides women with a loan amount to satisfy capital expenditure and working capital needs. It provides loans to women who work in Micro, Small, and Medium Enterprises (MSMEs), retail trading, or agriculture. Women entrepreneurs in the MSME sector can receive up to 100 lacs in support through the Cent Kalyani plan, with a 20% additional margin. This scheme's interest rate is determined by the market rate, and there is no processing fee. The interest rates for the loan are MCLR + 0.25 percent up to 10 lacs and MCLR + 0.50 percent up to 100 lacs. The loan will be for seven years and will not require any collateral or guarantor. Any financial asset traded in exchange for a loan or other financial assistance is referred to as a security. It's a type of bank guarantee that ensures the loan will be paid back. Beneficiaries benefit from lower security requirements because it impacts the amount of loan they receive. It consists of –

- Primary security - This consists of the stocks, machinery, and other assets required for the business. All of this is made possible by the bank's finances.

- Collateral security - No collateral security is required in advance.
- Third-party guarantee – This is not required because the CGTMSE guarantee covers it as well.
- CGTMSE –The Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE) is a financial entity that provides credit guarantees, such as loans, to institutions. Apply under the CGTMSE to receive all of the benefits and avoid having to put up collateral in other schemes.

### **III Bhartiya Mahila Bank Business Loan**

Bharatiya Mahila Bank was started with the motive of providing financial assistance to underprivileged women who want to start their own business despite the lack of resources. The Bharatiya Mahila Bank was founded. It is a blessing for women who want to establish their own business in the retail sector. The highest loan amount under the programme is Rs. 20 crores, and it was started in 2013 to commemorate former Prime Minister Indira Gandhi's birth anniversary. This scheme is available to Indian women in the manufacturing sector to help them fulfil their working capital needs or expand their businesses. If the loan amount is less than Rs. 1 crore, no collateral is required under the scheme. These women entrepreneurs are eligible for a 0.25 percent discount on their loans. While the Bharatiya Mahila Bank merged with the State Bank of India in 2017, the lending plan that began in 2017 remains in place.

### **IV Mudra Yojana Scheme**

Pradhan Mantri MUDRA Yojana (PMMY) is a scheme launched by the Hon'ble Prime Minister on April 8, 2015 for providing loans up to Rs. 10 lakh to the non-corporate, non-farm small/micro enterprises. These loans are categorised as MUDRA loans under PMMY and are intended to assist Indian startups and entrepreneurs. Commercial banks, RRBs, Small Finance Banks, MFIs, and NBFCs provide these loans. A "government scheme for small units" is also a fantastic idea for women entrepreneurs and would-be entrepreneurs who want to create small businesses such as beauty salons, tailoring stations, tuition centres, opening a small shop, or running a home-based business. The highest credit amount available to start-up firms is INR 50,000. The scheme provides loans ranging from INR 50,000 to INR 5 lakhs

to well-established firms. Finally, the scheme provides loans up to ten lakhs to well-established enterprises aiming to expand their operations and geographical reach. This scheme is divided into three categories:

- 1) **Shishuplan** :The Shishu programme provides new enterprises with loans of up to Rs 50,000.
- 2) **Kishor plan**: This provides individuals and businesses with loans ranging from Rs 50,000 to Rs 5 lakh for already established firms.
- 3) **Tarun plan**:This scheme provides loans between Rs 5 lakh and Rs 10 lakh for business expansion.

### **V Dena Shakti Scheme**

Dena Shakti Scheme is one of the Dena Bank's empowerment programmes for women entrepreneurs, benefiting women working in agriculture, retail, manufacturing, and other related activities. This Scheme was established to provide a forum for women entrepreneurs to obtain business loans quickly and easily. Any woman entrepreneur who aspires to start a business or grow their existing one can apply for the Dena Shakti Scheme to satisfy their working capital needs. Women entrepreneurs have been approved for loans of up to 20 lakhs under the scheme in the areas of housing, retail, and education. The scheme also provides discounts of 0.25 percent on the interest rates.

### **VI Annapurna Scheme**

**Annapurna** is a social sector scheme and forms part of the National Social Assistance Programme (NSAP) which came into effect from 15th August, 1995. This is one of the first schemes introduced by the government of India to uplift the condition of women entrepreneurship in India. Annapurna scheme helps women to set-up their own food catering unit by granting business finance of around Rs.50,000 to buy kitchen equipment and utensils. This loan can be repaid in 36 instalments and requires security. The scheme primarily focuses on distribution of food among the economically downtrodden sections of the country.

### **VII Mahila Udyam Nidhi Scheme**

Another initiative aimed at Indian women entrepreneurs is the Mahila Udyam Nidhi Scheme. The Mahila Udyam Nidhi Scheme, introduced by the

Small Industrial Development Bank of India (SIDBI), provides loans and financial assistance to women entrepreneurs working in production, manufacturing, and service-related industries. This loan was first offered by Punjab National Bank under the supervision of SIDBI, but due to the program's success, additional banks were invited to participate. By offering hassle-free loans, the purpose is to promote modernisation and technological growth in these small-scale enterprises. The loan maximum is Rs. 10 lakhs, and the borrower has 10 years to repay the loan with a 5-year moratorium term.

### **VIII Women Entrepreneurship Platform (WEP)**

NITI Aayog's Women Entrepreneurship Platform (WEP) is a Government of India project aimed at promoting and supporting aspiring and established women entrepreneurs in India, as well as assisting and guiding them through the process of starting, scaling up, and expanding their businesses. WEP seeks out partners who are key players in bringing WEP's vision to life through insightful interventions. This initiative was started with the goal of creating a supportive environment for aspiring young female entrepreneurs around the country. WEP offers entrepreneurs a forum to share their entrepreneurial journeys, stories, and experiences, in addition to providing services such as free credit, coaching, finance help, and corporate alliances. Entrepreneurs who are still in the planning stages of their businesses can sign up for the initiative and take advantage of its perks.

#### **Three Pillars of WEP (Women Entrepreneurship Platform)**

- 1) Ichha Shakti: This is the first pillar, which motivates women all across the country to establish their own business in any area by strengthening their willpower and raising their aspirations.
- 2) Gyan Shakthi: This is the second pillar, where women entrepreneurs will receive all of the necessary support and assistance from specialists in order to improve their entrepreneurship abilities.
- 3) Karma Shakti: This is the final pillar, where women entrepreneurs may get expert advice on how to start their firms. The NITI Aayog would also assist them in expanding their business.

### **CONCLUSION**

Women own only 20% of micro, small, and medium companies in India, and

the industry is still dominated by men. Even in the most developed countries, like the United States, women make up 31% of the entrepreneurial workforce. Women are still hindered from realising their full potential due to social differences, educational inequalities, and gender conventions.

Women entrepreneurs have been making tremendous impact on all sectors of the global economy. Their eagerness for the future may be seen in their developing confidence, their abilities, and their drive to seek out other types of job in order to attain a new work-life balance. A greater knowledge of women's potential contribution to the entrepreneurial landscape will enable for the development of more effective programmes targeted at promoting their participation in the market. Understanding and supporting women's entrepreneurial behaviour will have good effects on a country's well-being and social equity, in addition to offering vital knowledge about the entrepreneurial process. Pandit Jawaharlal Lai Nehru has rightly remarked “When women move forward, the family moves, the village moves and the Nation moves.”

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