

## **ROLE OF GOVERNMENT SCHEMES TO PROMOTE WOMEN ENTREPRENEURSHIP**

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### **ABSTRACT**

Woman is the major foundation of the society and to make it strong, it is very important to empower women. The concept of women empowerment can be promoted only by strengthening women entrepreneurship. Women in today's world are creating their place in almost all walks of life. Entrepreneurship being one of the most challenging areas to explore and sustain in ever changing social, cultural economic environment of business across the globe.

Women empowerment & women entrepreneur does not come only by giving women a good job or good salary, but it is also necessary to create an environment for them which can motivate them for setting up their own enterprises. And it is the result of giving a good environment that the woman has set a new example in the society by showing her success in corporate world from time to time. A Woman Entrepreneur and Inspires the Women of the Rest of the Country and only from all this, women can contribute along with men in the progress of the country.

The Objective of this paper is to examine and analyze the contribution of women entrepreneurs in economic development also considered all Government policies for effective promotion and develop strategies to promote women entrepreneurship through the government schemes and policies has been critically evaluated.

**Key words:** Women empowerment, Women Entrepreneur, Government policies, development strategies, economic development, Positive impact and sustainability

## **INTRODUCTION:**

In-depth study and analysis has revealed that India's Women Entrepreneurs have carved a niche for themselves not only in India but in the whole world, Although there are many problems in front of the women, but they have by beaten these problems and achieved many achievements in the corporate world and generated a lot of wealth.

In the traditional society, the woman was just a puppet of the man's hand, but in the 21st century, the role of the women has changed. In every sector, whether it is banking, service sector, education sector, production sector, marketing sector or finance sector, women have been seen leading in every sector. Circumstances whether it is in the form of family pressure or in the form of own readiness, when women come out from the kitchen and goes to the work station, she can achieve a different position everywhere. If women are given proper education, proper awareness and proper motivation, then they can move from traditional work to non-traditional business and many examples of this are also in front of us that many enterprises are being led by women.

Women entrepreneurs can be seen in startup of India. The major requirement to start the entrepreneur is the capital and various bank offer specialized loans for women entrepreneur that have slightly different and more flexible in term and condition. During pandemic, there is entrepreneurial urge amongst women and women entrepreneurs are coming forward in India but they required support from government to start the business. The Government has come out with initiative to make it easier for

women to setup their own enterprises.

### **OBJECTIVE OF STUDY**

1. To study the government policies and schemes to promote women entrepreneurship in India.
2. To study the role of women entrepreneurship in economic growth and development.

### **Research Methodology**

The study is based on secondary data which is collected from the published reports,

Websites, newspapers, National and International Journals and public and private publications available on various websites.

### **REVIEW OF LITERATURE:**

Coughlin, J. H., & Thomas, A. R., (2002):The observation made by Coughlin, J. H., & Thomas, A. R. pointed out that women who chose to pursue the challenging role of an entrepreneur driven by their desire to fulfill their need of independence and achievement. This definition is only applicable to women entrepreneurs who are opportunity driven, i.e. women who resort to entrepreneurship driven by their free will.

Friedman B.A. (2011): stated that women entrepreneurship is a very vital ingredient for job creation as well as economic development as the success of income generation for the major group of both rural and urban inhabitants without recognized paid job highly depends on entrepreneurship.

Jalbert (2000) :This paper indicate that Women s motivation to start up a business is associated to their need to be more independent, achieve job satisfaction and self-actualization as well as having power .

Mallon and Cohen (2001): indicate that women start to run their businesses because they seek better freedom, stability and ability to live by them.

Van der Merwe (2003): This study explains that lack of financial support, lack of family support, negative socio-cultural attitudes, and lack of self-confidence are barriers that women entrepreneurs experience. However, to date, not many researches focus on highlighting these issues in the existing literature.

Winn (2004): Researcher explains that women can start venture into businesses because they believe their businesses will generate income and give personal satisfactions. Salaried jobs may limit their time and may put their relationship between colleagues. Therefore, self-employment gives them the opportunity to enjoy freedom with personal integrity.

Munshi S et al (2011): This study explains that women entrepreneurs in India are faced with a wide variety of challenges in their career. Availability of venture and working capital comes under top challenge face by women entrepreneurs. Safe and affordable access to market is another problem. Infrastructural lack of business development support services, lack of awareness regarding existing government support and lack of social conditioning. All these affect women entrepreneurial personality.

### **ORGANIZATIONS PROMOTING WOMEN ENTREPRENEURSHIP IN INDIA**

**National Resource Centre for Women (NRCW):** women of all communities.

An autonomous body set up under the National Commission for Women Act, 1990 to orient and sensitize policy planners towards women's issues, facilitating leadership training and creating a national database in the field of women's development.

Women's India Trust (WIT) WIT is a charitable organization established in 1968 to develop skills of women and to earn a regular income by providing training and employment opportunities to the study and unskilled.

**Women Development Corporation (WDC):** were set up in 1986 to create sustained income generating activities for women to provide better employment avenues for women so as to make them economically independent and self – reliant.

**Women Development Cells(WDC):** In order to streamline gender development in banking and to have focused attention on coverage of women by banks, NABARD has been supporting setting up of women development cells in Regional Rural Banks and Corporative Banks.

### **FINANCIAL INSTITUTIONS ASSISTING WOMEN ENTREPRENEURSHIP IN INDIA :**

For the past several years, financial institutions have been playing a pivotal

role in giving financial assistance and consultancy services to women entrepreneurs. These institutions include:

- i) National Small Industries Corporation (NSIC),
- ii) All-India Development Banks (AIDBs), viz. IDBI, IFCI, ICICI, IIBI, IDFC and SIDBI
- iii) Specialized Financial Institutions (SFIs), viz. Exim Bank and NABARD
- iv) Investment Institutions, viz. LIC, GIC, NIC, NIA, OIC, UII and UTI,
- v) Regional/ State-Level Institutions, viz. NEDFI, SIDCs and SFCs,
- vi) Commercial Bank etc.

### **GOVERNMENT SCHEMES TO HELP WOMEN ENTREPRENEURS**

The government has come out with initiatives to make it easier for women to set up their own enterprises.

#### **1. Bharathiya Mahila Bank Business Loan**

Bharathiya Mahila Bank was started for those women who dream big despite the lack of resources. It provides loans up to INR 20 crores for women entrepreneurs who want to set up a manufacturing business. Collateral is not required if the loan you are seeking is less than 1 crore. While the Bharatiya Mahila Bank merged with the State Bank of India, the loan scheme that started in 2017 still stands.

#### **2. Mudra Yojana Scheme**

For women who want to start or expand a small business of their own, Mudra Yojana is a scheme that can be helpful. This is not a scheme specifically for women; however, it can be highly beneficial. You can seek a loan for anywhere between INR 50000 to INR 10 lakh. It is perfect for businesses like beauty salons, opening a small shop or running a home-based business. You don't need any collateral or guarantor for this loan.

The scheme is divided into three categories:

- Shishu: loans up to 50,000/-
- Kishore: loans above 50,000/- and up to 5 lakh

- Tarun: loans above 5 lakh and up to 10 lakh

### **3. Dena Shakti Scheme**

Dena Shakti Scheme is a scheme that provides loans for women entrepreneurs in certain sectors:

- Agricultural businesses
- Retail stores
- Manufacturing sector
- Micro-credit organizations
- Housing
- Education

The maximum loan limit is Rs. 20 lakhs. The interest rate is 0.25% below that of the base rate

### **4. Udyogini Scheme**

The Udyogini Scheme is specifically for those women who come from a family that has an income of below Rs. 1.5 lakhs per annum. There are no such restrictions for widowed, destitute, or disabled women. This will help women start small businesses and become self-reliant. The idea behind this scheme is to help women from economically struggling background to become self-sufficient. Loan subsidies also provide to make it easier for women to go forward in their entrepreneurship journey

### **5. Cent Kalyani Scheme**

Cent Kaylani is a scheme by the Central Bank of India for women. Under the scheme loans up to Rs. 100 lakhs that is sanctioned without asking for any collateral or processing fees. Except for self-help groups, retail trade, and educational and training institutions, every other type of business is eligible under this scheme

### **6. Mahila Udyam Nidhi Scheme**

Mahila Udyam Nidhi Scheme was launched by Punjab National Bank and is geared towards supporting Small Scale Industries (SSI). The goal is to promote modernization and technological advancement in these small scale

industries by providing hassle-free loans. The limit for the loan is Rs. 10 lakhs and the borrower gets 10 years to repay the loan. That includes a moratorium period of up to 5 years.

## **7. Women Entrepreneurship Platform (WEP)**

The government of India through NITI Aayog has started an initiative called the [Women Entrepreneurship platform](#) that brings together the women entrepreneurs and sponsors willing to support them in one place.

### Role of Women Entrepreneurship in Economic Growth and Development

Entrepreneurship plays an influential role in the economic growth and standard of living of the country. As a startup founder or small business owner, one may think that he/ she is simply working hard to build his/ her own business and provide for him/ herself and family. But in reality, he/ she is actually doing a whole lot more for your local community, state, region, and the country as a whole. Following are the top seven important roles an entrepreneur/ entrepreneurship plays in the economic development of a country.

**Wealth Creation and Sharing:** By establishing the business entity, entrepreneurs invest their own resources and attract capital (in the form of debt, equity, etc.) from investors, lenders and the public. This mobilizes public wealth and allows people to benefit from the success of entrepreneurs and growing businesses. This kind of pooled capital that results in wealth creation and distribution is one of the basic imperatives and goals of economic development.

**Job Creation:** Entrepreneurs are by nature and definition job creators, as opposed to job seekers. The simple translation is that when you become an entrepreneur, there is one less job seeker in the economy, and then you provide employment for multiple other job seekers. This kind of job creation by new and existing businesses is again is one of the basic goals of economic development. This is why the Govt. of India has launched initiatives such as Startup India to promote and support new startups, and also others like the Make in India initiative to attract foreign companies and their FDI into the Indian economy. All this in turn creates a lot of job opportunities, and is helping in augmenting our standards to a global level.

**Balanced Regional Development:** Entrepreneurs setting up new businesses and industrial units help with regional development by locating in less developed and backward areas. The growth of industries and business in these areas leads to infrastructure improvements like better roads and rail links, airports, stable electricity and water supply, schools, hospitals, shopping malls and other public and private services that would not otherwise be available. Every new business that locates in a less developed area will create both direct and indirect jobs, helping lift regional economies in many different ways. The combined spending by all the new employees of the new businesses and the supporting jobs in other businesses adds to the local and regional economic output. Both central and state governments promote this kind of regional development by providing registered MSME businesses various benefits and concessions.

**GDP and Per Capita Income:** India's MSME sector, comprised of 36 million units that provide employment for more than 80 million people, now accounts for over 37% of the country's GDP. Each new addition to these 36 million units makes use of even more resources like land, labor and capital to develop products and services that add to the national income, national product and per capita income of the country. This growth in GDP and per capita income is again one of the essential goals of economic development.

**Standard of Living:** Increase in the standard of living of people in a community is yet another key goal of economic development. Entrepreneurs again play a key role in increasing the standard of living in a community. They do this not just by creating jobs, but also by developing and adopting innovations that lead to improvements in the quality of life of their employees, customers, and other stakeholders in the community. For example, automation that reduces production costs and enables faster production will make a business unit more productive, while also providing its customers with the same goods at lower prices.

**Exports:** Any growing business will eventually want to get started with exports to expand their business to foreign markets. This is an important ingredient of economic development since it provides access to bigger markets, and leads to currency inflows and access to the latest cutting edge technologies and processes being used in more developed foreign markets. Another key benefit is that this expansion that leads to more stable business



revenue during economic downturns in the local economy.

Community Development: Economic development doesn't always translate into community development. Community development requires infrastructure for education and training, healthcare, and other public services. For example, you need highly educated and skilled workers in a community to attract new businesses. If there are educational institutions, technical training schools and internship opportunities, that will help build the pool of educated and skilled workers.

### **Conclusion:**

The value of women in our society has changed drastically in the past few decades and for the better. Women are now occupying the corporate positions & lead in many areas. But there are still many such areas where it is getting late to understand the importance of women, It has become necessary to recognize those areas where there is less value of women and there is a need to make people aware of women empowerment, women's education and contribution of women in corporate World Government of India require more promotion of women entrepreneurs as more diversity in the boardroom leads to a preferable and powerful business.

In short Women entrepreneurs play a substantial role in growing their economies. When a country does not achieve its full potential, the economy suffers.

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