

# Government Schemes and Benefits for Women Entrepreneur

V. Rajalakshmi<sup>a</sup>, A. Nandhini<sup>b</sup>

<sup>a</sup>Department of Commerce, SNMV College of Arts & Science, Coimbatore

<sup>b</sup>Department of Commerce, SNMV College of Arts & Science, Coimbatore

## Corresponding author.

Correspondence: V. Rajalakshmi

## Article info

Received 11<sup>th</sup> November 2019

Received in revised form

12 December 2019 Accepted

14 December 2019

## Keywords

Women entrepreneurs, Government schemes, Benefits, Problems.

## Abstract

Women Entrepreneurs are highly increasing in almost all countries. The women entrepreneurs are perceived as an important source of economic growth of our country. The social, religious, cultural beliefs were the underlying factors for the emerging entrepreneurs. Government of India has defined women entrepreneurs based on women participation in equity and employment of a business enterprise. Accordingly, a woman run enterprise is defined as “an enterprise owned and controlled by a woman having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to women”. Women entrepreneur constitute 10 % of the number of entrepreneur in the country. This has been a significant growth in self-employment of women, for women now starting new ventures at three times the rate of men. They constitute 50% of the population of our country with a lower literacy rate than men. The Engendering diversity makes the women to come out of the cultural barriers to become as entrepreneurs. In our traditional society, they were confined to the four walls, playing household roles, but in this modern era, they are coming out of their gender disparities to participate in all sort of activities. This research paper aims to study the concept of Government schemes and benefits for women entrepreneurs. We know that the government of India introduced many special schemes that promote the women entrepreneurs. The objectives of the study are about the Government schemes such as loans, benefits and problems faced by the women in their day-to-day lives.

## 1. Introduction

Woman entrepreneurs are confident, innovative and creative and are capable of achieving financial freedom on their own or in collaboration generating employment opportunities for others through initiating, establishing and running the enterprise by keeping pace with her personal, family and social life.

We could see women as a doctor, advocate, engineer, professor, government officials in the departments, revenue, police, education, etc., women entrepreneur should more competitive and efficient in the local and internal. Governments provided a various schemes for women startups [1-5].

Now-a-days women enter not only in selected professions but also in professions like trade, industry and engineering. Women are also willing to take up business and contribute to the Nation's growth. Their role is also being recognized and steps are being taken into account to promote women entrepreneurship. Women entrepreneurship is the process where women organize all the factors of production, undertake risks, and provide employment to others. Women prefer to work from their own residence, difficulty in getting suitable jobs and desire for social recognition motivate them towards self-employment.

### 1.1. Purpose of women entrepreneur

If women startup her earnings, she can enrich her growth in the society. And she also fulfills the following purposes being on women.

- Financial Independence
- Personal Growth
- Providing Employment
- Opportunity to work more creatively
- Confidence and Satisfaction

## **1.2. Methodology**

The paper is a descriptive study in nature. The secondary data have been collected from published books, articles published in different journals, periodicals, conference paper, working paper and websites.

### **Objectives of study**

- To know the various loan schemes for women entrepreneur in India.
- To understand the benefits of women entrepreneurs
- To analyze the problems faced by the women entrepreneurs

## **2. Women Entrepreneur Loan Schemes in India**

Women entrepreneurs contribute a greater extent 21% generally of economic growth in Indian industry. They create new openings, for themselves and others. And they also provide suggestion and solutions to the management, organization and business problems [1-3]. The efforts of government and its different agencies are supplemented by NGOs and its associations they are playing an equally important role in facilitating women empowerment. Here in this article, we intend to explore different women entrepreneur loan schemes in India.

A recent Global Entrepreneurialism Report conducted by international Bank BNP Paribas has ranked India on top of the highest percentage of women entrepreneurs. The survey found that 49% of the entrepreneurs in India are women [6,7].

Technological innovation enabled female entrepreneurs to grow their businesses faster in exponentially growing industries. With the advent of innovations like wireless internet, cloud technologies, and intelligent mobile devices, entrepreneurs could work flexibly and collaborate seamlessly. In India, there are certain women entrepreneur loan schemes that are designed to support only female entrepreneurs.

### **2.1 Stree Shakthi Package**

The Stree Shakthi Package is applicable for entrepreneurs who run small businesses and have 50% of firm ownership. Women entrepreneurs who have pursued Entrepreneurship Development Programs (EDP) organized by state level agencies are only eligible for this loan.

### **2.2 Annapurna**

The Annapurna Scheme is applicable for women entrepreneurs running an individual business or partnership firms. The main motive of this scheme is to provide financial aid to female business owners for establishing food catering unit. women need a guarantor for securing this type of loan. The interest rate for these loans is applicable as per the prevailing rates. For securing this loan, women need to submit assets as collateral to the bank.

### 2.3 Cent Kalyani

This scheme is provided by Central Bank of India for the benefit of female entrepreneurs. Under this scheme, a women entrepreneur can get adequate financial assistance for starting a new venture. Cent Kalyani provides loans to new as well as experienced business owners, professionals and self-employed. Besides, these business loans for women can also be availed by retail traders, small-scale industry owners and women entrepreneurs engaged in agricultural and allied activities as well as in village and cottage industries.

### 2.4 Dena Shakti

Dena Shakti Scheme under the Dena Bank has promoted female women-owned businesses by providing various financial services to them. You can avail loans under this scheme at a concession of 0.25% on the interest rate. This scheme provides business loans for women engaged in the manufacturing sector as well as agriculture and allied activities. Besides, business owners running small enterprises, micro-credit or retail stores can also avail this loan.

### 2.5 SIDBI Mahila Udyam Nidhi

Mahila Udyam Nidhi Scheme (MUN) under Small Industries Development Bank of India provides financial assistance up to Rs. 10 lakhs to female entrepreneurs for setting up the new industrial venture in small scale sector.

### 2.6 Udyogini

This scheme is offered by Punjab and Sind Bank so as to provide women entrepreneurs involved in Agriculture, retail and small business enterprises to get loans for business at flexible terms and concessional interest rates.

#### List of loan schemes for women entrepreneur in India:

S. no	Name of the loan scheme	Types of business	Amount	Rate of interest
1	Stree Shakthi Package	Small business who have 50% of firm ownership	2,00,000	0.50%
2	Annapurna	Food Catering unit	UP to 50,000	1.5%
3	Cent Kalyani	New ventures	Up to 10 lakhs -100 lakhs	0.25%-0.50%
4	Dena Shakti	Agriculture & allied activities	Max 20,00,000	0.25%
5	SIDBI Mahila Udyam Nidhi	New industrial ventures in small scale sector	Up to 10,00,000	-
6	Udyogini	Agriculture, retailer& small business entrepreneurs	1,00,000	Concessional rate

The above table clearly states that,

\* From the Stree Sakthi scheme women entrepreneurs can avail loan Rs.2,00,000 at the rate of 0.50% interest for starting a small business should have 50% firm ownership.

\* From the Annapurna scheme women entrepreneurs can avail loan up to Rs.50,000 at the rate of 1.5% interest for starting catering units.

\* From the Cent Kalyani scheme women entrepreneurs can avail loan up to Rs.10 Lakhs-Rs 100 lakhs at the rate of 0.25%-0.50% interest for establishing new ventures.

\* From the Dena Sakthi scheme women entrepreneurs can avail loan max Rs.20,00,000 at the rate of 0.25% interest for doing agriculture and allied activities.

\* From the SIDBI Mahila Udyam Nithi scheme women entrepreneurs can avail loan up to Rs.10,00,000 for starting new industrial ventures in small scale sectors.

\* From the Udyogini scheme women entrepreneurs can avail loan Rs.1,00,000 at the concessional rate of interest for doing agriculture, retailer and small business enterprise.

### **3. Benefits for women entrepreneurs**

- Women are more emotionally intelligent and confident.
- Women have the ability of handling many tasks.
- Women entrepreneurs are very patient.
- Women entrepreneurs have a great passion for the work and a commitment to society.

#### **3.1. Problems faced by women entrepreneurs:**

Even though women entrepreneurs have for more opportunities, loan facilities and benefits, beyond these advantages they are facing more problems like

- Family ties
- Male dominated society
- Lack of education
- Social barriers
- Shortage of raw materials
- Problem of finance
- Tough competitions
- High cost of production

### **4. Conclusion**

Women entrepreneurs are the important source of economic growth in India. It can be said that today we are in a better position where in women participation in the field of entrepreneurship is increasing at a considerable rate. Women sector occupies nearly 45% of the Indian population. Governments provided various schemes for women startups. The introduction of government schemes aids to start the business instantly and also further development of the business. This special scheme imbues confidence to women entrepreneurs. At the outset it has observed that the Women entrepreneurs face constraints in their day-to-day life.

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