

## **Women Empowerment & an Overview of Government Schemes Towards Women Entrepreneurship**

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### **ABSTRACT**

India is blessed with culture, traditions and customs which has offered prominence for women in the society. These customs and traditions are respected by everyone but sometimes they forget that are leaving behind the real one who needs to be respected “women”. Blind faith of people in culture has harmed women innumerable ways. The development of women was always hindered by the glass ceiling imposed by society, religion, and customs. Women Empowerment is not limited towards bringing up women and motivating them to understand that sky is not the limit but also is all about educating and instilling men the sense of respect and honor towards women. This paper on the topic ‘Women Empowerment & An overview of government initiatives towards women entrepreneurship’ seeks to understand how much women are empowered to be on its own and how women are contributing to the national economy. The breeze of women entrepreneurship is touching all the areas to trigger the potentials out. The words of Late Prime Minister of India PanditJawaharlal Nehru “You can tell the condition of a nation by looking at the status of its women” clears show the value of women in the Indian Constitution and how women plays a prominent role in the development of the economy Indian Constitution has always stood forward for women development. This paper highlights the various schemes and provisions of Government of India together with banks for women entrepreneurship and development.

**KEYWORDS:** Business, Women Empowerment, Welfare schemes, Government Initiative.

### **1. INTRODUCTION**

Empowerment of women means developing them as more aware individuals, who are politically active, economically productive and independent and are able to make intelligent discussion in matters that affect them. Women empowerment is something which we need at levels in the organization. Women are the powerful force which holds relationships and values together. But still the words by Manu the ancient law writer clearly depicts women as someone who needs support always. The role and status of women is changing but at very slow rate. Therefore its highly essential that a transition from powerless to power is needed.

Empowered women possess the following features

1. Empowered women make their own attitude value and behavior to meet their own interest.
2. Empowered women have high strength and confidence to tackles the pressures from the religion and work and contribute towards the empowerment of all women.
3. They are ready to take up roles that challenge male dominance and strive hard to the achievement of goal.

**2. OBJECTIVES OF THE STUDY**

1. To understand women empowerment and features of the women who is empowered to do something else.
2. To analyze the ratio of start ups in India in 2016.
3. To know the funding received by the women startups.
4. To know the various schemes of government to women to mould and bring about women empowerment in the society.

**START-UPS**

Startup means an entity, incorporated or registered in India:

1. Not prior to five years,
2. With annual turnover not exceeding INR 25 crore in any preceding financial year, and
3. Working towards innovation, development, deployment or commercialization of new products, processes or services driven by technology or intellectual property

Start ups should not formed by splitting up, or reconstruction, of a business already in existence. Entity shall cease to be a Startup if its turnover for the previous financial years has exceeded INR 25 crore or it has completed 5 years from the date of incorporation/ registration. It is further that a Startup shall be eligible for tax benefits only after it has obtained certification from the Inter-Ministerial Board, setup for such purpose.

In the year 2016 around 670 start-ups got funded. Following figure shows the percentage of funding in startups

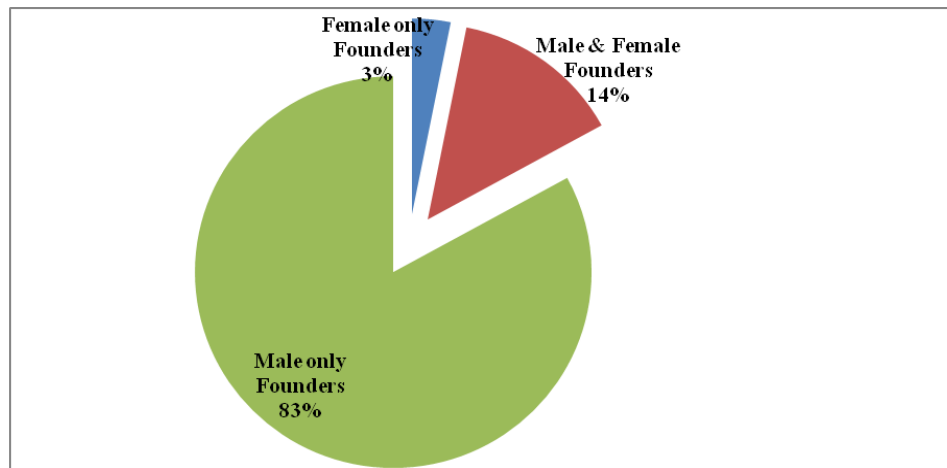
**FUNDING IN STARTUPS 2016**

<b>PARTICULARS</b>	<b>NO. OF STARTUPS</b>	<b>PERCENTAGE</b>
Female only founders	21	3%
Male & Female founders	93	14%
Male only founders	556	83%
Total	670	100

(Source-Secondary Data)

**TABLE NO 1**

**FUNDING IN STARTUPS 2016**



**FIG NO 1**

The above table and chart shows the funding structure in 2016. It clear that in the year 2016 the total number startups that got funding is 670. The data clearly shows that out of 670 startups only 3% (21) of startups are owned by women. The startups with joint association with men and women are 14% (93). Majority of the startups i.e. 83% (556) are owned by male founders. The data clearly indicates that the number of startups owned by women stands least in funding structure. The major reason for the slow growth of startups by women is the lack of interest from the side of investors which is creating difficulties for women to take initiative.

Government is taking initiatives to bring forward women to contribute to the growth of economy and to enable women to be independent. Government has framed many schemes and policies for women which will help them to start off their business. The major issues faced by the government is with regard to creating awareness about different schemes and other initiatives. Following are some of the popular schemes of government aimed at providing support and extending welfare initiatives for women to bring them in the field of business.

**GOVERNMENT WELFARE SCHEMES FOR WOMEN ENTREPRENEURSHIP**

**TREAD RELATED ENTREPRENEURSHIP ASSISTANCE & DEVELOPMENT (TREAD) SCHEME FOR WOMEN**

TREAD Scheme focuses on women empowerment through providing training, information & counseling for the welfare and growth of women. Under this scheme financial assistance are provided to women by channelizing through all nationalized banks and government. Government provides grants up to 30% of the total project value and the remaining 70% of the funding will be undertaken by the financial institutions and banks. NGO’s act as intermediary between beneficiaries on one side and government & financial institutions on the other side. Let’s take an example to have more clarity on the funding structure. Suppose a group of 20 women needs financial assistance from the government worth Rs 1 Lakh, it’s evident that the total amount

required is Rs20 Lakhs for the group of 20 women. Along with this loan amount we need to add up the various expenses that will be incurred for an NGO such as inviting experts for talks, vehicles, auditing charges, other expenses etc which may be Rs10 Lakhs.

Then total project will be 20 Lakhs + 10 Lakhs = Rs 30 Lakhs. In this

Government grant will be (30% of Rs 30 Lakhs) = Rs9 Lakhs  
Assistance from the side of banks (75% of Rs 30 Lakhs) = Rs 21 Lakhs.

**SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA (SIDBI)**

SIDBI was set up on April 2, 1990 under an Act of Indian Parliament. It is major financial institution for the development, Promotion, Financing and Development of the Micro, Small and Medium sectors. MSME Sector is one of the major contributors to the Indian Economy. MSME Sector consists of manufacturing sector and service sector and is differentiated on the basis of the following structure of investment.

**MANUFACTURING SECTOR (MSME SECTOR)**

<b>MANUFACTURING SECTOR</b>	
<b>ENTERPRISES</b>	<b>INVESTMENT IN PLANT &amp; MACHINERY</b>
Micro Enterprises	Less than Rs 25 Lakhs
Small Enterprises	More than Rs 25 Lakhs but not more than Rs 5 Crores
Medium Enterprises	More than Rs 5 Crores but not more than Rs 10 Crores.

(Source Secondary Data)

**TABLE NO 2**

**SERVICE SECTOR (MSME SECTOR)**

<b>SERVICE SECTOR</b>	
<b>ENTERPRISES</b>	<b>INVESTMENT IN EQUIPMENTS</b>
Micro Enterprises	Less than Rs 10 Lakhs
Small Enterprises	More than Rs 10 Lakhs but not more than Rs 2 Crores
Medium Enterprises	More than Rs 2 Crores but not more than Rs 5 Crores.

(Source Secondary Data)

**TABLE NO 3**

The major 2 schemes of Small Industries Development Bank of India (SIDBI) for women are MahilaUdyamNidhi (MUN) &MahilaVikasNidhi (MVN).

**MAHILAUDYAMNIDHI (MUN)**

MUN is a special scheme for women entrepreneurs for setting up new projects on a small sector. The MahilaUdyamNidhi (MUN) can be only opted when the cost of project is not more than Rs10 Lakhs , here where assistance is given at the rate of 25% of the project cost i.e. If the project cost is Rs 10 Lakhs then government assistance will be at the rate of 25% of the project cost which is Rs2,50000. The loan has to be repaid within 10 yrs (inclusive of initial moratorium period of maximum 5years).

**MAHILAVIKASNIDHI (MVN)**

MahilaVikasNidhi (MVN) focuses its special attention for the development of women. MVN Schemes provides opportunities for women to take up training and to generate employment opportunities to others by being an entrepreneur.

**SWARNAJAYANTI GRAM SWAROZGARYOJANA (SGSY)**

The SGSY programme was launched in April 1999 targeting on building up micro enterprises for the development of people. SGSY aims at uplifting those families who are in BPL category. The scheme gives special attention to SC/ST category, women and physically handicapped people. The following table shows the assistance of SGSY to the categories

**ASSISTANCE OF SGSY**

<b>ASSISTANCE OF SGSY</b>	
<b>CATEGORY</b>	<b>RATE OF ASSISTANCE</b>
SC/ST	50%
Women	40%
Physically Handicapped	30%

(Source Secondary Data)

**TABLE NO 4**

SGSY scheme is funded by Central Government @ 75% & State Government @ 25%

**SWARNA JAYANTI SHAHARIROZGAR YOJANA (SJSRY)**

The Swarna Jayanti ShahariRozgar Yojana (SJSRY) seeks to provide employment to the poor people through encouraging people to set up self employment centre's. This scheme is funded in the ratio of 75.25 where central government invest share in the ratio of 75 and state government is the ratio of 25. The SwarnaJayantiShahariRozgarYojana consist of 2 special schemes The Urban Self Employment Programme (USEP) & The Urban Wage Employment Programme (UWEP).

**THE URBAN SELF EMPLOYMENT PROGRAMME (USEP)**

The Urban Self Employment Programme (USEP) scheme aims at uplifting people by encouraging them to set up their own units. Financial assistance is given for providing education & training to get employment opportunities. USEP provide assistance to start up projects so as to build a better society with higher education & standard of living.

**THE URBAN WAGE EMPLOYMENT PROGRAMME (UWEP)**

UWEP targets at Urban Poverty Alleviation through rendering employment to the underemployed and unemployed poor people belonging to urban area. The labor of people who are in the below poverty line category are being utilized for construction of public assets such as community centre's, storm water drains, road, night shelters etcwhich are economically & socially fruitful. All works undertaken will be executed through Community Development Societies (CDs) under the

control & supervision of Urban Local Body (ULB) or District Urban Development Agency. UWEP programme is applicable only to towns/cities with population of 5 Lakhs as per 1991 census. The beneficiaries must be paid minimum wages for the work undertaken.

## **THE STAND UP INDIA SCHEME**

The Stand up India Scheme was launched on April 5<sup>th</sup> 2016. The scheme targets to bring out the entrepreneurship among SC's, ST's & women. Stand up India scheme provide financial assistance between Rs 10 Lakhs- Rs 1 Crore to atleast one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and atleast one women borrower per bank branch for setting up the start ups. The rate of interest charged will be the lowest rate of the bank loan category. The loans taken up can be repaid within 7 years and there is a maximum time of 18 months for moratorium.

## **BHARATIYAMAHLA BANK LTD**

Banking industry has always supported women. BharatiyaMahila Bank Ltd is the only bank in India which is formed with a vision of women empowerment. The Bank was founded in the year 2013 & at present it is in the process of getting merged up with SBI. The product portfolio of the bank is framed taking women centric products as the major strength. The operations of BharatiyaMahila Bank Ltd was appreciated but criticized many times. People criticized that special consideration and service to women shows that they need support and are not independent and are creating gender inequality. BharatiyaMahila Bank Ltd has a good product portfolio which caters to the need of women. Following are some of the special schemes for women entrepreneurs

- BMB Shringaar – Loan for Beauty parlour / Salon / Spa
- BMB Annapurna Loan – Food catering
- BMB Parvarish - Loan for Day Care Centre

## **MAHILA COIR YOJANA (MCY)**

Mahila Coir Yojana (MCY) is the first Self Employment Programme in the coir industry targeting women. Coir fiber is converted into yarn using motorized rats. Under this yojana, financial assistance is granted to women for spinning using motorized rats. Women are given proper training on how to operate the equipment and how to be user friendly to it. Government provides subsidy at 75% of cost on motorized rats / motorized traditional rats subject to a ceiling of Rs 7500/- for motorized rats and Rs 3200/- for motorized traditional rats. The remaining fund has to be raised by the beneficiaries at the rate of 25%.

## **SUPPORT TO TRAINING & EMPLOYMENT PROGRAMME FOR WOMEN (STEP)**

The STEP Scheme aims at providing training and skills to women to become employment creators/ Entrepreneurs. This scheme provides skills up gradation to poor women in the traditional sector which consist of agriculture, dairy farm, Khadi, Handlooms, Fisheries etc. Special focus is given to SC/ST households and family below the poverty line. The financial assistance of this scheme is given to an institution/organization including NGO's directly and not to the states / union territory.

### **3. CONCLUSION**

The future of women entrepreneurs will be bright. The promise of 'Make In India' is to create 100 million jobs by 2022 and this will be possible only when women also join the race of building enterprise and thus creating employment opportunities. Central & State Government, NGO's and all welfare associations are working together towards economy development. But development will emerge only when we mould the base unit of the society "The Family" and make an attempt to empower women in family. Resources & opportunities are unlimited but the area of women empowerment is vast. It's high time that we start to emphasize the need of educating family to bring out the real asset 'women' towards the pace of development. Other than the support from government, NGO's, welfare associations, women crave for the support from family. So let's take the first step towards women empowerment through educating family and fulfill the dreams of 'Make in India'.

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