



A STUDY ON GOVERNMENT ASSISTANCE IN PROMOTING WOMEN ENTREPRENEURSHIP IN INDIA WITH SPECIAL REFERENCE TO ASSAM

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Abstract

The role played by a woman has changed tremendously and is making an immense impact in our society today. One such important role that today's women are playing is in the economic development of a nation. Women's empowerment is aided by their engagement in economic activities, which also serves to strengthen the nation's economy. Providing women with equal social and economic opportunities is a crucial step in the empowerment of women process, and encouraging female entrepreneurship is undoubtedly the best course of action. The women will be better able to make their own decisions with financial freedom. In recognition of the significance of women's empowerment and its effects, the government of India and the state governments of various states have begun to prioritise women's entrepreneurship by developing appropriate programmes to encourage women to pursue entrepreneurship and support the survival of already-existing businesses. The employment and commercial settings are greatly impacted by the presence of women in the workforce leading small and entrepreneurial organisations. The article primarily focuses on the role played by women entrepreneurs in the economic and social empowerment of women, as well as the support offered by the Indian government and Indian banks through their different programmes, incentives, and marketing initiatives. The study also makes an effort to identify the Assam Government's assistance in fostering women entrepreneurship in the state. The information used in the study was gathered from secondary sources, including books, journals, newspaper articles, websites, and research papers. To enable women to engage in entrepreneurial activities, a friendly climate must be developed, and for which Government will have to play a dominant and crucial role.

Keywords: Women, Entrepreneurship, Empowerment, Government, Schemes, Banks.

Introduction:

Entrepreneurship is necessary to initiate the process of economic development of both developed and developing countries as it is the back bone of economy of any country. Entrepreneurship refers to combining the available resources of production in such a new way that it produces the goods and services more satisfactory to the customers. Entrepreneur is a catalytic agent of change (Ansari, 2016). Additionally important to sustaining economic prosperity is entrepreneurship. Without equal participation and contribution from women, development in any field would fall short. The changing role of women in our society today is having the most influence. Women can and should play a significant part in a country's economic development by engaging in entrepreneurship. Women's empowerment and the country's economy both benefit from the involvement of women in business. An overview of Women Entrepreneurship in India is detailed in Table 1.

Table 1: Overview of Women Entrepreneurs in India

Total number of establishments owned by women entrepreneurs	80,50,819
Rural establishments owned by women entrepreneurs	52,43,044 (65.12 Percent)
Urban establishments owned by women entrepreneurs	28,07,775 (34.88 Percent)
Women owned establishments without hired workers	66,97,354 (83.19 Percent)
Women owned establishments with hired workers	13,53,465 (16.31 Percent)
Women owned agricultural establishments	2.76 million (34.3 Percent)
Women owned non- agricultural establishments	5.29 million (65.7 Percent)

Source: All India Report of Sixth Economic Census, 2016.

According to the Sixth Economic Census, 8.0 million women owned establishments constitute around 13.76 percent of the total number of 58.5 million establishments in India. The state of Assam has a total of 1, 54,158 women establishments which accounts for 1.91 per cent of total establishments. Women entrepreneurship was a neglected domain during the past, but with the spread of education and awareness among the women the picture has been changed and the women have emerged as today's most memorable and inspirational entrepreneurs (Sharma, 2017). Government of India along with the state governments of different states have understood the importance of Women Empowerment and its impact and accordingly have started to give importance to Women Entrepreneurship by designing suitable schemes to attract women towards entrepreneurship and to help the existing enterprises to survive.

Objectives:

The main objectives of the present paper are as follows:

1. To study the contribution of women entrepreneurship to women empowerment and economic development.
2. To highlight the role of government and banks in promoting women entrepreneurship.
3. To trace the support of Assam Government in developing women entrepreneurship in Assam.

Review of Literature:

Bordoloi et.al. (2013) conducted the study to find out how much the women entrepreneurs have gained significance in today's environment. The study also highlighted the factors that have motivated women entrepreneurs in starting an entrepreneurial career with that of the encountered problems. Nandy (2014) focused on gender inequality problems. The paper glides from the period of fifties to the 21st century and how transformation has occurred in the women roles. In these circumstances the difficulties faced by women entrepreneurs and their status in the society are also discussed. Devi et.al. (2014) attempted to trace the development of women entrepreneurs in Assam particularly in the district of Kamrup and also detected the problems faced by them. Limbu et.al. (2015) tried to throw some light on problems and opportunities for rural women in the area of entrepreneurship in rural Assam. Though there are many problems that are creating hurdles, the prospects of growth cannot be underestimated. Sharma (2017) unfolded the significance of women entrepreneurship and also focused on the role of women entrepreneurs in the Indian economy and also their contributions to the economic development.

Contribution of Women Entrepreneurship to Women Empowerment and Economic Development:

Women's economic development is a powerful precursor to women's empowerment. Empowerment of women has five components: women's sense of self-worth; their right to have and to determine choices; their right to have access to opportunities and resources; their right to have the power to control their own lives, both within and outside the home; and their ability to influence the direction of social change to create a more just social and economic order, nationally and internationally (Madan, Gulyani and Benson, 2014). Thus, entrepreneurial development is the key for opening avenues for empowering women and attaining all the above five components. Entrepreneurship is an important tool which empowers the women in the country by increasing their family status i.e., it brings gender equality, participation in decision making within the family, expression of thoughts and opinions freely, etc. A sense of financial independence develops as a result of the development in economic and financial position, which is a result of women becoming more economically and financially independent. A higher economic standing and a general improvement in personality are both results of entrepreneurship. Achieving a balance between work and family life, increasing economic power in the family and community, and other social advancements are examples of how social status is raised. Thus, entrepreneurship contributes to a woman's advancement both inside the home and in society. There is also an

improvement in economic and financial status i.e., women become economically and financially empowered; so, there is a sense of financial independence. A higher economic standing and a general improvement in personality are both results of entrepreneurship. Achieving a balance between work and family life, increasing economic power in the family and community, and other social advancements are examples of how social status is raised. Thus, entrepreneurship contributes to a woman's advancement both inside the home and in society. Women entrepreneurs have a wealth of opportunities to use their latent skills and talents to achieve their personal goals, which gives them a sense of empowerment.

The role of women in the economic development of the nation cannot be neglected. In fact, they have to be encouraged and motivated to take active part in any business activity. Women occupy a larger share of the informal economy and also in the micro and small enterprise sector in India. The acceleration of economic growth requires an increased supply of women entrepreneurs (Chavan and Murkute, 2016). Their entrepreneurial actions raise the rate of capital formation, which is crucial for quick economic growth. They build their businesses using both their own resources and borrowed ones, adding value and creating wealth that is crucial for the nation's industrial and economic development. Women entrepreneurs identify and seize opportunities, promote efficient resource mobilisation of capital and expertise, introduce novel goods and services, and create marketplaces to expand the economy. In doing so, they contribute to rising per capita income and the nation's gross domestic product, both of which are indicators of economic progress.

In India, female entrepreneurs are a significant contributor to both direct and indirect job creation. Numerous work opportunities are developed when more and more small- and large-scale units are established. In doing so, they are significantly easing the nation's unemployment issue, which in turn paves the road for the country's economic progress. Women entrepreneurs in India started businesses in less developed and backward regions to eliminate regional differences in economic development. Numerous public advantages, including improvements in road transport, health, education, and entertainment, have resulted from the expansion of these regions' industries and businesses. It is possible to introduce new products and reduce the scarcity of basic commodities by establishing small-scale companies.

Women entrepreneurs in this country are creating a wide range of things on a huge scale and selling them at reasonable prices, improving the standard of living in the process. The secret to entrepreneurship is innovation. It alludes to an invention's use in commerce. The entrepreneur takes on the roles of a pioneer and an industry leader in his or her capacity as an innovator. Women entrepreneurs make numerous advances in the development of new items as well as in the enhancement of current goods and services. All of them contribute to economic growth by creating jobs, increasing income, etc. By producing goods and services in big quantities with the intention of generating significant amounts of foreign currency from export in order to offset the need for import duties, they also aid in developing a nation's export-trade. Therefore, export promotion and import substitution ensure economic independence. Women entrepreneurs in our country are directly or indirectly playing an important role in environmental protection, back ward and forward integration and are acting as change agents, thus contributing to the economic growth of the country (Malyadri, 2014).

Government Assistance in Developing Women Entrepreneurs:

The government's top priority at the moment is empowering women and providing them with sufficient opportunity to realise their potential. In this context, the government has launched a number of programmes to support potential female entrepreneurs financially and through training, which directly benefits India's economy by promoting employment possibilities and economic growth. Some of the initiatives by the Government of India in the direction of uplifting women entrepreneurship have been discussed below:

1) **Bhartiya Mahila Bank:**

Bharatiya Mahila Bank (BMB) was founded with the goal of advancing women's access to the workforce and paving the way for their economic emancipation. The bank sets up a platform so that female business owners can obtain loans with an interest rate reduction of 0.25%. These business loans (collateral-free) are meant to be used for the majority of business needs, such as working capital needs or business expansion. Manufacturing businesses are eligible for loans up to Rs. 20 crores in total, as well as specific business loans with enticing interest rates. The repayment period is adjustable and can extend for up to seven years.

2) **Trade Related Entrepreneurship Assistance and Development (TREAD):**

A programme called "Trade Related Entrepreneurship Assistance and Development (TREAD)" is run by the Ministry of Micro, Small, and Medium Enterprises (MSME) to support female entrepreneurs. Through trade-related training, informational activities, and counselling pertaining to trades, goods, and services, among other things, the programme aims to economically empower women. According to the scheme, the government of India may contribute up to 30% of the loan or credit, or a maximum of Rs. 30 lakhs, for the purpose of funding capacity-building initiatives.

3) **Rashtriya Mahila Kosh (RMK):**

Rashtriya Mahila Kosh channels microfinance through Women Self Help Groups (WSHGs) and Intermediary Microfinance Organisations (IMOs) operating in various parts of the nation to the poorest and asset-less women entrepreneurs for income-generating activities at 6% simple interest; these organisations then extend the loan to SHGs beneficiaries up to 14% simple rate of interest. This programme offers loans to start-up and smaller businesses with at least six months of credit and thrift experience. They are eligible for a loan up to a maximum of Rs. 10 lakhs. Additionally, it offers loans to businesses with a minimum of three years of expertise in credit and thrift activities. For one state, these organisations may obtain a maximum loan of Rs. 2 crores. An organization can avail loan under the scheme for a maximum number of 3 states at a time. If the organization avails loan for more than 1 state, then the maximum loan amount can be up to Rs.6 crores.

4) **Stand Up India Scheme:**

The Stand-Up India Scheme intends to make it easier for at least one borrower from a Scheduled Caste (SC) or Scheduled Tribe (ST) and at least one woman to obtain a bank loan between Rs. 10 lakh and Rs. 1 crore for starting a new business. To qualified borrowers, banks offer composite loans (working capital or term loans). It is possible to issue a composite loan totaling up to 75% of the project's cost, including a term loan and working capital. A loan is authorised with a moratorium of 18 months and a payback period of up to 7 years. The interest rate must be the lowest one that the bank has in effect for that category.

5) **Pradhan Mantri Mudra Yojana (PMMY):**

The Honourable Prime Minister introduced the programme on April 8, 2015, with the goal of giving small and micro businesses that are not corporations or farms loans up to Rs. 10 lakhs. These loans are provided by commercial banks, regional development banks (RRBs), small finance banks, cooperative banks, MFIs, and NBFCs. The borrower can go to any of the lending companies indicated above or submit an application online via the portal. Under this, there are three plans: the Shishu plan, which offers loans up to Rs 50,000 for start-up companies, the Kishor plan, which offers loans between Rs 50,000 and Rs 5 lakhs for well-established businesses, and the Tarun plan, which offers loans between Rs 5 lakhs and Rs 10 lakhs for business expansion. The scheme is trying its very best to improve the status of women by providing loans and encouraging them to start new ventures and thereby empowering them by providing a financial security of individual income. A specified sum of money is allotted to be funded to just the women. Women entrepreneurs are the major beneficiaries of the Centre's Mudra scheme.

6) **Mahila Udyam Nidhi Scheme:**

The scheme is offered by Small Industries Development Bank of India (SIDBI) and provides financial assistance of up to Rs 10 lakhs to set up a new small-scale venture. It aids in the modernization and improvement of ongoing projects as well. With a five-year moratorium, the loans must be repaid within ten years. These loans' interest rates may also change in accordance with market rates.

7) **Annapurna Scheme:**

Women business owners who have established a food catering business are eligible for this programme. They are eligible to apply for a loan of up to Rs 50,000 to buy kitchen supplies including utensils and water filters. The loan must be guaranteed in order to be approved. The loan can be repaid in 36 payments after it has been secured. Additionally, the concerned bank will accept assets as collateral under this plan, and interest rates will be in accordance with market rates. The Government of India has tasked the Food Supply & Commerce Department with the duty of carrying out the plan.

Banks' Support in Promoting Women Entrepreneurship:

In terms of empowering women, banks, one of the main cornerstones of the Indian economy, are essential. The banking industry has been at the forefront of the campaign for women's emancipation through innovative initiatives like financial inclusion and women's economic independence, which have aided in their achievement of socioeconomic equality in Indian society. Banks play a crucial role in promoting the financial inclusion of women in the Indian economy, whether it is through educational financing programmes or financial aid for establishing a source of income. In order to support female entrepreneurs, all major public sector banks have introduced financing and lending programmes that are specifically targeted at women. These programmes offer funding opportunities at lower interest rates and laxer credit requirements. Priyadarshini Yojana by the Bank of India, CAN Mahila by the Canara Bank, Cent Kalyani by the Central Bank of India, Dena Shakti by the Dena Bank, Oriented Mahila Vikas Yojana by the Oriental Bank of Commerce, Mahila Udyam Nidhi by the Punjab National Bank, Stree Shakti Package by the State Bank of India, Udyogini Scheme by the Punjab & Sind Bank,

Commercial and specialised banks have always been crucial to the expansion and advancement of women entrepreneurship. In addition to providing financial aid, banks also contribute significantly to the success and promotion of entrepreneurs' business ventures by offering security for customer funds while also allowing them to use their deposits as collateral for loans that will help them run their businesses smoothly. Additionally, the banks provide their customers with a speedy foreign exchange service, which involves sending money anywhere in the world on their behalf.

After a firm or business is established, the key phase of funding the cash cycle begins. Here, banks once again play a crucial role. Banks assist in providing operating capital support, which turns into a lifeline for businesses. Banks additionally offer regular financial assistance, such as during expansion or acting as a mediator to link entrepreneurs. Due to their professional and specialised status, banks are well-positioned to advise business owners on sustainable lines of investment by weighing the advantages and disadvantages of various investments as well as client investment management. The existence, expansion, and development of women entrepreneurship in the nation will thus always depend on banks.

Promotion of Women Entrepreneurship in Assam through Government Schemes:

Assam is not falling behind the rest of the nation in terms of women entrepreneurs. Assam has enormous potential for the advancement of female entrepreneurs. Women dominate the handloom industry in Assam. The majority of Assamese women entrepreneurs work in traditional industries including weaving, knitting, embroidery, jam, jelly, and pickle production. Assamese women business owners have been seen to expand into non-traditional industries in recent years. The expansion of entrepreneurial prospects and the availability of training options in various disciplines both contribute to this. Assam Government has initiated a number of programmes and policies for the growth and development of women entrepreneurship in the state from time to time. Some of the significant initiatives are as follows:

1. Udyog-Jyoti Scheme:

The Industries and Commerce Department of the Government of Assam developed the Udyog-Jyoti Scheme to inspire the student community in Assam to engage in entrepreneurial activities. In order to inspire them to launch their own business and find employment in these organisations, the scheme's first phase involves taking undergraduate college students to various industries, factories, and industrial organisations like refineries, Central Institute of Plastic Engineering & Technology (CIPET), etc. Some chosen students are sent beyond the state during the second phase of the programme for further exposure to the field of entrepreneurship.

2. Mukhya Mantrir Karmajyoti Achni :

This programme was started by the Assam government in 2005–2006 with the goals of enhancing traditional craftsmen' skills and providing them with financial support. It covers a variety of trades, including the production of decorative goods, textiles, blacksmithing, ceramics, carpentry, doll making, etc.

3. Multi-Disciplinary Skill Development Programme (MDSDP):

The MDSDP programme was introduced by the Department of Industries and Commerce, Government of Assam, in the 2011–12 academic year. It seeks to provide handholding support for these trained young for placement by establishing a business opportunity in addition to training the youth for skill acquisition. The curriculum also includes training for entrepreneurs to improve their international proficiency. As a result, certain business owners will also be sent to reputable institutions outside the state for training so they may gain the information and skills necessary to produce goods and services that are up to international standards.

4. Angel Fund:

In order to assist Assamese first-generation entrepreneurs in starting businesses and establishing micro and small industries in the state, the Assam Government established the "Angel Fund" in 2014. People can borrow up to Rs. 5 lakhs through the fund at an annual interest rate of just 5%. For a maximum of 10 months, no interest will be assessed to microbusinesses during the moratorium period. Additionally, under the special fund, coverage of 80% of the project cost for existing units and 85% for new units (without mortgage) is being provided. The Department of Industries and Commerce of Assam has initiated the scheme for implementation through the state and has partnered Assam Gramin Vikash Bank as the financial institution.

5. Assam Trade Promotion Organization (ATPO):

In November 2007, ATPO was established with the primary goals of coordinating trade shows and exhibitions and encouraging more participation in export-related activities. It's a platform that's fostering business prospects, especially for female entrepreneurs.

6. Startup Programme:

An outreach initiative on startups by women entrepreneurs was developed by the Indian Institute of Entrepreneurship (IIE), Guwahati in partnership with the NS Raghavan Centre for Entrepreneurial Learning. They will offer managerial and entrepreneurship training. Following the session, the entrepreneurs will receive mentoring, counsel, and incubation along with financial support.

7. Women Entrepreneurs' Conclave:

The Indian Institute of Entrepreneurship (IIE) organized the first edition of two-day Assam Women Entrepreneurs' Conclave. It provided a platform to local women entrepreneurs to ideate and interact with experts in the field. It aimed to provide mentoring on different aspects of business planning and to build networks across sectors like branding, information technology, online business, tourism and hospitality, education, packaging and printing and more. The chief minister also felicitated three women entrepreneurs in recognition to their success in their business and inaugurated an exhibition at the conclave organised by the Indian Institute of Entrepreneurship. The programme will be organized annually and the state would give commendation and cash awards to three successful women entrepreneurs every year.

8. Kanaklata Mahila Sabalikaran Achoni:

This flagship scheme under the Assam State Rural Livelihoods Mission, aims at paving the way to generate sustainable livelihood among women in rural areas by forming 1 lakh SHGs covering about 10 lakhs households. The scheme envisages a one-time financial grant of Rs 25,000 as revolving fund to each newly-formed SHG of non-intensive blocks and Rs 10,000 as additional revolving fund to each woman SHG already registered under Deen Dayal Antyodhana Yojana of National Rural Livelihood Mission and who had received Rs 15,000 under the scheme earlier.

9. Women Enterprises Development Scheme:

The scheme provides financial assistance to women entrepreneurs in the form of term loan (maximum 75% of the project cost) for taking up business ventures at 8 % rate of interest. The repayment term ranges from three to seven years. Existing businesses will also be eligible for expansion, modernization, and diversification under the programme.

Conclusion:

Equalising social and economic opportunities for women is a crucial step towards their empowerment, and encouraging female entrepreneurship is undoubtedly the best course of action. For women to become powerful, have a distinguished place in society, and so succeed in all sectors of life, they must step ahead, take risks, and profitably engage in constructive activities. The solution to the unemployment issue and to boost the competitiveness and growth of businesses and industries in a state like Assam—which has slower economic growth than the rest of the nation—is through the development of entrepreneurship. The first and most important step in developing entrepreneurship in Assam is to raise public awareness of it and affect a mindset shift among the populace. The government's plans and actions to encourage and support women for their financial and non-financial requirements are also to be increased because women-centric enterprises are growing at a quicker rate. The impediments that prevent women from developing their own businesses must be avoided, and policymakers must work to establish environments that are supportive of women. In order to effectively support women's entrepreneurship development initiatives, constant monitoring and mentoring are required.

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