



POLICY EFFECTIVENESS OF WOMEN ENTREPRENEURSHIP PROGRAMMES IN INDIA

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Abstract : The endeavour of Indian women to establish themselves is approaching a significant milestone. The Government of India has acknowledged the imperative of supporting women entrepreneurs and fostering women empowerment, leading to the initiation of several schemes. These initiatives are designed not only to provide financial assistance but also to enhance women's role in the economic development of the nation. Availing these schemes is anticipated to bring about positive changes and substantially impact the businesses managed by women. The government's objective is to elevate both the economic and social standing of women through the implementation of these schemes. This paper aims to assess and evaluate the effectiveness of the policies and schemes introduced by the Government of India in this regard.

Key words: Women entrepreneurs, PMEGP, Schemes for Women entrepreneurs.

INTRODUCTION

Women entrepreneurs are vital contributors to the economic development of any nation, a reality that hinges upon fostering gender equality and expanding opportunities for women across all sectors. Despite widespread acknowledgment, there persists a substantial gender gap in the Indian business landscape. Extensive global research consistently highlights the superior performance of enterprises led or co-founded by women compared to those managed solely by men. Women demonstrate proficiency in critical business skills such as teamwork, problem-solving, and strategic orientation. Recognizing the significant untapped potential of women, the Government of India (GOI) has undertaken numerous policy initiatives aimed at mainstreaming women entrepreneurs and creating a level playing field in the economy.

In India, women currently lead approximately 8 million enterprises, constituting about 14 percent of the total entrepreneurial landscape. While this figure may seem modest given women's nearly 49 percent share of the population, there are promising indicators: 35.5 percent of startups boast female directors, and 58 percent of entrepreneurs start their businesses between the ages of 20 and 30. Therefore, any efforts to increase the number or enhance the productivity of women-led enterprises directly contribute to the nation's economic growth. In light of these realities, the Ministry of Women and Child Welfare introduced the draft National Policy for Women (2016), advocating for the integration of gender-sensitive policies to empower women as equal partners in national development. This comprehensive draft outlines numerous policy measures aimed at elevating women's visibility in the economy, including entrepreneurship development, training, skill enhancement, and support for female farmers.

The Ministry has been proactive in addressing barriers hindering women's entrepreneurial success, such as limited access to finance, technology, markets, and business acumen. The Indian government aims to build an ecosystem that promotes entrepreneurship at the startup level and has taken a number of initiatives to ensure that the startup businesses get appropriate support. (Akiwatkar, 2016). Various ministries of the GOI have launched numerous programs to foster entrepreneurship nationwide, with a deliberate emphasis on ensuring women's active participation and equitable representation through special provisions and incentives. These concerted efforts underscore the government's commitment to harnessing the full potential of women entrepreneurs as drivers of economic growth and development.

REVIEW OF LITERATURE

According to (Dangi, 2014), despite the numerous obstacles and difficulties women entrepreneurs experience on their road to success, the government has implemented numerous measures to support their development. The government chose, in part because of industrial backwardness and rurality, to encourage women to start their own businesses by offering them various incentives (Jyoti et al., 2011). As stated by Akiwatkar (2016) Various stakeholders, including policy makers, startup founders, financial institutions, business incubators, universities, civil society, and industries, need to be systematically reached out to. These stakeholders are now operating in isolation. In accordance with other government policies, real-time agile policy involving people at the local level and multiple stakeholders is required. It is necessary for financial institutions to create creative funding mechanisms with government assistance. According to Garg and Agarwal (2017), policy makers have recognized women entrepreneurs as the nation's emerging stars and the new engine of economic growth. All throughout the world, they are becoming increasingly successful businesspeople. According to Nassif et al. (2016), Baron and Shane (2007), and Niehoff et al. (1990), there are a variety of factors that encourage women to pursue entrepreneurship. These elements include the possibility for creativity and strong peer support from the family, which inspire a woman. This inspiration results in entrepreneurial intention, which is crucial for launching a business. According to Sriram and Mersha's (2017) study, women entrepreneurs' performance is mostly determined by their motivation, personality attributes, and degrees of education and experience. Scholars such as Habib Auwal Abubakar (2015) assert that the government serves as the cornerstone for the successful and efficient execution of many programs and policies. Government programs assist in closing the gap in resources and expertise that exists in entrepreneurship. Additionally, a more accommodating legal system and simple financing availability will increase the nation's entrepreneurial activity (Bogdanovic, 2017). The study makes room for additional investigation on women's entrepreneurship. In addition to boosting the economy, women business owners are crucial to an organization's ability to innovate and engage its workforce. (2019, Goel & Madan).

OBJECTIVES

- To examine the different government programs that are accessible to female business owners.
- To assess the success of government initiatives aimed at empowering women entrepreneurs.

MATERIALS AND METHODS

The Ministry of Skill Development and Entrepreneurship (MSDE) plays a pivotal role in overseeing the enhancement and development of skills across the country. It endeavours to narrow the gap between the demand and supply of skilled manpower by establishing vocational and technical training frameworks, upgrading existing skills, fostering innovative thinking, and generating employment opportunities. The Ministry operates through various arms such as the Directorate General of Training (DGT) and the National Skill Development Agency (NSDA). Its strategy involves leveraging the existing network of skill development centers, universities, and other pertinent alliances in the domain. Additionally, the Ministry collaborates extensively with relevant Central Ministries, State Governments, international organizations, industries, and non-governmental organizations (NGOs) to ensure a multi-level and impactful implementation of skill development initiatives. Within the ambit of schemes aimed at supporting entrepreneurs, particularly women entrepreneurs, it is pertinent to examine Government Loan Schemes for Women Entrepreneurs

- Mudra Loan for Women
 - Annapurna Scheme
 - Stree Shakti Yojana
 - Dena Shakti Scheme
 - Bhartiya Mahila Bank Business Loan
 - Mahila Udyam Nidhi Yojana
 - Orient Mahila Vikas Yojana Scheme
 - Cent Kalyani Scheme
 - TREAD (Trade related Entrepreneurship Assistance and Development) scheme.
- **1. Mudra loan:** Under this initiative, loans ranging from Rs. 50,000 to Rs. 50 lakhs are approved. Collateral and guarantors are not required for loans under Rs. 10. There are three plans for it.
 - 1) **Shishu** - Provides loans for new enterprises up to Rs. 50,000 with a five-year payback period and an interest rate of 1% each month.
 - 2) **Kishore** - Provides loans for well-established enterprises ranging from Rs. 50,000 to Rs. 5 lakhs. Interest is determined by the bank, the applicant's credit history, and the scheme rules. Additionally, repayment is at the bank's discretion.
 - 3) **Tarun:** Provides loans for business expansion ranging from Rs. 5 to Rs. 50 lakhs. Interest rates here are also based on the applicant's credit history, the bank, and the scheme rules. Additionally, repayment is at the bank's discretion.
 - The 2019–20 fiscal year has been characterized by inclusive financing, with an emphasis on MFIs and NBFCs. Between FY 2018–19 and FY 2019–20, total sanctions to NBFCs and MFIs increased from Rs. 1,436 crore to 12 organizations to Rs. 2,389 crore to 38 companies. When MFIs are excluded, the outstanding has increased by almost 132% as of March 31, 2020, compared to the same date the previous year.
As a result of the year-long expansion of MFI coverage, there were 35 Borrowers in the category as of March 31, 2020, up from 23 at the end of the previous year. Comparably, as of March 31, 2020, there were 12 NBFCs covered, up from 10 at the end of the previous year. Operating revenue rose from Rs. 860.93 to Rs. 299.93, Rs. to 1,111.90 crore a 29% increase in FY 2018-19 to FY 2019-20.
 - **Stree Shakti Yojana** :A unique programme called the Stree Shakti package offers specific subsidies to encourage women to start their own businesses. Women who own a majority share of the firm are eligible for the Stree Shakti programme. The Entrepreneurship Development Programme (EDP), run by the relevant state agency, is open to enrolment for these female business owners. With loans totalling more than Rs. 2 lakh, this initiative enables women to receive an interest reduction of 0.05 percent.
 - **The Dena Shakti Scheme** offers loans to women entrepreneurs operating small businesses, retail outlets, microcredit, manufacturing, and agricultural, up to Rs. 20 lakh. Additionally, a 0.25 percent interest rate reduction is offered by the program. Under the microcredit category, female entrepreneurs are eligible for up to a Rs. 50,000 loan.

Year-wise Women Entrepreneurs in India under PMEGP

2010-11	14658
2011-12	14299
2012-13	13612
2013-14	13448
2014-15	13394
2015-16	17508
2016-17	18780
2017-18	18821
2018-19	18924
2019-20	19104

Source: Ministry of Micro, Small & Medium Enterprises 2020

Bharatiya Mahila Bank Business Loan is offered by Bharatiya Mahila Bank. This public sector banking organization, The Bhartiya Mahila Bank (BMB), provides loans to women entrepreneurs up to Rs. 20 crores for working capital needs, business expansion, or manufacturing ventures. On April 1, 2017, the bank amalgamated with State Bank of India as a component of the Modi administration's financial reforms, with the aim of expanding banking accessibility to women. A some of the various schemes offered by the Bharatiya Mahila Bank Business Loan scheme includes :-

- **Shringaar:** The BMB Shringaar loan is available to homemakers or independent contractors who are preparing to launch a business or who need money for ongoing expenses. There is no collateral security required for this loan.

Parvarish: Likewise, self employed women or home makers can apply for the BMB Parvarish loan to open daycare centers. Under the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGFTMSE) initiative, the maximum loan amount is Rs. 1 crore, with no collateral required.

Annapurna: This loan is available to food entrepreneurs who are between the ages of 18 and 60 and who wish to launch or grow their small companies. With the exception of not requiring collateral security, its features are comparable to those of the State Bank of Mysore's Annapurna scheme.

- **Mahila Udyam Nidhi Yojana :** Punjab National Bank and Small Industries Development Bank of India (SIDBI) jointly offer the Mahila Udyam Nidhi Scheme. The programme provides up to Rs. 10 lakh in loans that must be repaid over a ten-year period to assist women entrepreneurs starting new small businesses. The market rates determine the interest rate that is charged.

Orient Mahila Vikas Yojana Scheme : The program was started by Oriental Bank of Commerce, and women who hold individually or jointly 51% of the share capital of a proprietary firm are eligible to apply for loans through the Orient Mahila Vikas Yojana. Loans ranging from Rs. 10 lakhs to Rs. 25 lakhs demand collateral. The loan has a seven-year repayment period. Additionally, the Orient Mahila Vikas Yojana Scheme offers a 2 percent interest rate reduction.

Cent Kalyani Scheme: Women who are self-employed or who are new or existing entrepreneurs are eligible to apply for the Cent Kalyani Yojana. Applications for the Cent Kalyani Scheme are welcome from micro/small businesses such as retail commerce, cottage industries, farming, and agriculture. For this loan, there is no need for collateral or a guarantor. Market rates determine the interest rate on loans. The loan's maximum payback period is going to be seven years.

- **Udyogini Scheme:** The Government of India has entrusted the Women Development Corporation with the implementation of the Udyogini Scheme. By giving women financial help, this program encourages and motivates women to start their own businesses among the underprivileged. The primary beneficiaries of this program are illiterate women who reside in rural and underdeveloped areas. The following lists the policies that have been developed for the Indian government's initiative to support entrepreneurial programs since 2014. Thus, these policies have contributed to the nation's high and steadily rising entrepreneurial wave. Millions of people have been provided opportunities by these programs and policies. Not only is there a chance, but confidence is also a crucial component of any new endeavour. These initiatives have undoubtedly lived up to the nation's expectations.
- **TREAD (Trade Related Entrepreneurship Assistance and Development) scheme:** This scheme aims to economic empowerment of women by providing credit (through NGOs), training, development and counselling extension activities related to trades, products, services etc. Government grant up to 30% of the total project cost as appraised by lending institutions which would finance the remaining 70% as loan assistance to applicant women.

SUCCESS STORIES

1. **Kalavati** owns a photocopying machine that she bought with her small savings, and it's her only source of income. Her shop is in a good location near a school and a bank, making it busy all day. When the bank's photocopying machine needs servicing, she gets more business than she can handle, especially during exam times. Feeling the need for another machine to serve more people, she decided to try getting a loan from a nearby bank.

She went to Vijaya Bank in Telangana and learned she could apply for a Shishu loan under the new Mudra scheme. After applying, the loan was approved in a few days. With the money, she bought another Xerox machine and increased her income. Now, she's planning to expand her business by adding stationery items and is considering applying for an additional loan.

2. **Arle Padmavathi** is a widow with two young children, facing tough times after her husband's passing. She felt uncertain about the future and lacked confidence. To support her family, she sold vegetables in the local market but struggled to afford stock due to borrowing from money lenders at high interest rates. The stress of repaying loans and worrying about her children's future affected her health.

During a conversation with a friend, Padmavathi shared her financial difficulties, hoping for temporary help. She learned about the Pradhan Mantri Mudra Yojana, which offers loans to small business owners. Excited about the opportunity, she decided to expand her vegetable business.

Padmavathi applied for a loan at the Central Bank of India, Thotapalem branch, under the Mudra Yojana. After verifying her documents, she received a loan of ₹40,000. With this money, she expanded her shop, offering a variety of vegetables and attracting more customers. With her increased daily earnings, she managed to repay her loan on time and save money for her children's future.

As a result, Padmavathi gained respect from her family and neighbours, and the Mudra loan truly transformed her life as a widow.

CONCLUSION

In conclusion, it is evident that the Government of India is earnestly dedicated to the upliftment of entrepreneurs, particularly women entrepreneurs. However, the efficacy of these efforts ultimately relies on the willingness of individuals to engage with and utilize the schemes and policies in place. Entrepreneurs must abandon the perception of government schemes as inaccessible or distant. Instead, they should recognize these benefits as opportunities provided by the government for their advantage. Embracing this perspective will enable entrepreneurs to fully leverage the support available and contribute to their own growth and success.

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