

# Schemes and Policies for Entrepreneurs by the Government of India

<sup>1</sup> S. Sudheer, <sup>2</sup> M. Ramu

<sup>1,2</sup>Department of Management Studies, Vignan's Foundation for Science, Technology and Research University, Vadlamudi, Guntur District, Andhra Pradesh

**Abstract :** Entrepreneur has been viewed as the foundation of monetary advancement. It has been settled that the level of monetary development of a locale to an expansive degree, relies upon the level of entrepreneurial exercises in the area. The myth that business visionaries are conceived, no more holds great, rather it is very much perceived now that the business people can be made and supported through proper intercessions as enterprise improvement programs. In the period of progression, privatization and globalization alongside continuous IT insurgency, skilled business people are making utilization of the open doors rising up out of the advancing situation.

**IndexTerms - Entrepreneur, business, enterprise, privatization, globalization.**

## I. INTRODUCTION

Entrepreneur in any case, a huge portion of the populace, especially in the modernly in reverse districts/country territories for the most part falls behind in exploiting these open doors. In this way, there is a need to give ability advancement and enterprise improvement preparing to such individuals keeping in mind the end goal to standard them in the progressing procedure of monetary development[1].

Business advancement and preparing is, consequently, one of the key components for improvement of miniaturized scale and little undertakings (MSEs), especially, the original business visionaries. To attempt this undertaking on consistent premise, the Ministry has set up three national-level Entrepreneurship Development Institutes (EDIs). These are, the National Institute for Micro, Small and Medium Enterprises (NI-MSME), Hyderabad; the Indian Institute of Entrepreneurship (IIE), Guwahati and the National Institute for Entrepreneurship and Small Business Development (NIESBUD), Noida. Further, the Ministry has been actualizing (notwithstanding the plans of MSME-DO) an imperative plan, to be specific, Scheme for Assistance for Strengthening of Training Infrastructure of Existing and New Entrepreneurship Development Institutes (EDIs).

The principle destinations of the plan are

1. Advancing business for making independent work through big business creation
2. Encouraging formation of preparing framework
3. Supporting examination on enterprise related issues.

### Objectives:

1. To identify what are the schemes and policies that government offers for entrepreneurship
2. To make a study on how effectively these policies are showing impact on entrepreneurs

### Need of the Study:

Need to know the entrepreneur development through the government schemes and their challenges.

### Scope of the Study:

Further, so as to enhance the achievement rate of the EDP learners in the foundation of new endeavors, the Ministry has as of late propelled another plan, to be specific, Rajiv Gandhi Udyami Mitra Yojana (A Scheme for "Advancement and Handholding of Micro 90 MSME and Small Enterprises"). The principle target of this plan is to give handholding backing to original business people, through assigned lead organizations i.e. "Udyami Mitras". Under this plan, the "Udyami Mitras" would give direction and help to the potential business people enrolled with them, in planning of undertaking report, orchestrating money, determination of innovation, advertising tie-ups with purchasers, establishment of plant and apparatus and also acquiring different endorsements, clearances and NOCs and so forth. For giving this handholding help to the new business visionaries, the "Udyami Mitras" might be paid handholding charges under the plan.

## II. TRAINING

## 2.1. For Assistance for Strengthening of Training Infrastructure of Existing and New Entrepreneurship Development Institutes (EDIs)

The plan conceives giving money related help to State-level existing/proposed organizations implied for supporting business enterprise improvement and independent work exercises. Under this plan, concede is surrendered for setting of new business advancement foundations (EDIs) and furthermore for up-degree and modernization of existing EDIs in the nation. Under the plan, a coordinating gift of 50 for every penny, subject to a roof of Rs.100 lakh(s), is accommodated constructing, hardware, preparing helps and so on., the adjust being contributed by the State/Union Territory Governments and different offices. The monetary help gave under this plan is just synergist and strong to the commitment and endeavors of State/Union Territory Governments and different offices. By no means concede stores gave under the plan can be utilized to meet the repeating use of the foundation[2].

The establishments/associations looking for help under this plan ought to be enrolled as not-revenue driven association with business enterprise improvement as its fundamental goal, ought to have an unmistakable title of the land required for setting up of the proposed/existing organization, have a different financial balance in a planned bank in which all receipts/reserves got by the foundation ought to be credited and installments made on the premise of authorization by the Governing Council of the organization.

Every one of the recommendations under this plan are required to be suggested by and directed through the concerned State/UT Government.

## 2.2. National Institute for Entrepreneurship and Small Business Development (NIESBD), Noida

The National Institute for Entrepreneurship and Small Business Development (NIESBUD), NOIDA was set up in 1983 as a summit organization in the field of enterprise improvement to advance, bolster and support business enterprise and private company through preparing, training, research and consultancy administrations.

The real exercises of the Institute incorporate advancing model syllabi for preparing different target gatherings; giving successful preparing methodologies, procedure, manuals and devices; encouraging and supporting Central/State Governments and different organizations in executing projects of enterprise and private company improvement; boosting benefits and quickening the procedure of business advancement; and directing projects for sparks, coaches and business people. The Institute helps other Entrepreneurship Development Institutions in different courses, for example, creating syllabi in business enterprise for various target gatherings, preparing of workforce, creating preparing helps and so on.

### 2.2.1 SCHEMES [4]

#### **PMEGP - Prime Minister's Employment Generation Program**

PMEGP a progressive choice of the Ministry of MSME, Govt. of India by blending PMRY and REGP plans.

**Nodal Agency:** KVIC is the Nodal organization at national level to execute the plan the nation over.

**Implementing Agencies & Area:** KIVC and KIVBs in rural areas of the country and DICs in both rural and urban areas of the country.

**Maximum Project Size:** Rs. 25.00 lakhs for manufacturing sector and Rs. 10.00 lakh for service sector.

**Educational Qualification:** Minimum VIIIth pass for the project cost above Rs. 10.00 lakh under manufacturing sector and above Rs. 5.00 lakh project cost under service sector.

**EDP Training:** EDP training is not necessary before release of 1st installment of loan by financing bank to the beneficiary but it is compulsory within one year from the date of release of 1st installment of loan to the beneficiary. After completing EDP tar Persons already undergone training of 2 weeks will be exempted for further training. EDP training will be provided at Angel Entrepreneurship Development Institute.

**How to apply:** The beneficiary can submit application along with project report at nearest KVIC /KVIB/DCI/Bank offices

**Records Required:** Certificate of instruction capability, Technical Qualification, Caste Certificate (wherever appropriate), EDP Training Certificate (for recipients as of now experienced)

**Choice of beneficiaries:** Beneficiaries will be chosen through meeting process by the District Task compel Committee headed by the Collector.

**Project sanction:** Project will be sanctioned by financing branches of the Bank as per techno-economic viability.

**Amount of Bank Loan:** Bank sanctions and release 90-95% loan of the sanctioned project cost.

**Own Contribution:** 10% of the project in case of general category and 5% in case of weaker section beneficiaries

## 2.3. National Bank for Agriculture and Rural Development (NABARD)

NABARD is installation as an apex improvement bank with a mandate for facilitating credit drift for advertising and improvement of agriculture, small-scale industries, cottage and village industries, handicrafts and different rural crafts. It also has the mandate to assist all other allied monetary sports in rural regions, promote integrated and sustainable rural development and comfy prosperity of rural regions.

- In discharging its position as a facilitator for rural prosperity NABARD is entrusted with
- Imparting refinance to lending institutions in rural regions
- Bringing approximately or promoting institutional development and

- Evaluating, tracking and examining the customer banks

#### 2.4. Besides this pivotal position, NABARD additionally:

- Acts as a coordinator in the operations of rural credit score establishments
- Extends assistance to the government, the Reserve financial institution of India and other businesses in subjects regarding rural development
- Gives education and research centers for banks, cooperatives and agencies running within the subject of rural improvement
- Enables the kingdom governments in accomplishing their goals of imparting assistance to eligible establishments in agriculture and rural development
- Acts as regulator for cooperative banks and RRBs.

### III. MISSION

Selling sustainable and equitable agriculture and rural improvement thru effective credit score support, related offerings, organization building and different progressive projects. In pursuing this venture, NABARD focuses its sports on:

#### Credit score capabilities

Regarding guidance of capacity-related credit score plans yearly for all districts of the USA for identification of credit score capacity, monitoring the waft of floor degree rural credit, issuing policy and operational hints to rural financing establishments and providing credit score facilities to eligible establishments underneath diverse programs[3].

#### Development functions

Concerning reinforcement of the credit score functions and making credit more efficient.

#### Supervisory functions

Making sure the proper functioning of cooperative banks and local rural banks.

### IV. GOALS

NABARD changed into established in phrases of the Preamble to the Act, “for supplying credit score for the promotion of agriculture, small scale industries, cottage and village industries, handicrafts and other rural crafts and different allied financial activities in rural regions for you to selling IRDP and securing prosperity of rural areas and for subjects connected therewith in incidental thereto”. The principle targets of the NABARD as stated in the statement of goals while putting the bill earlier than the Lok Sabha were categorized as beneath :

- The national bank may be an apex employer in recognize of all subjects regarding coverage, making plans operational elements inside the discipline of credit for promoting of Agriculture, Small Scale Industries, Cottage and Village Industries, Handicrafts and different rural crafts and other allied monetary activities in rural areas.
- The bank will function a refinancing institution for institutional credit score which includes lengthy-time period, brief-time period for the advertising of sports in the rural regions.
- The bank may even offer direct lending to any institution as may additionally approved through the relevant authorities.
- The bank will have natural links with the Reserve bank and maintain a near link with in main activities
- Preparing of potential connected credit Plans for identity of exploitable potentials beneath agriculture and other activities available for development via financial institution credit score.
- Refinancing banks for extending loans for funding and manufacturing cause in rural regions.
- Presenting loans to country government/Non authorities corporations (NGOs)/ Panchayati Raj establishments (PRIs) for growing rural infrastructure. Assisting credit score improvements of Non authorities companies (NGOs) and different non-formal businesses.
- Extending formal banking offerings to the unreached rural negative via evolving a supplementary credit transport strategy in a value powerful manner via selling Self help businesses (SHGs)
- Selling participatory watershed development for boosting productivity and profitability of rain fed agriculture in a sustainable way.
- On-site inspection of cooperative banks and local Rural Banks (RRBs) and off-website surveillance over fitness of cooperatives and RRBs.

### V. FUNCTION AND FEATURES

NABARD is an apex institution authorized with all matters concerning coverage, making plans and operations within the subject of credit score for agriculture and other economic sports in rural regions.

- It's far an apex refinancing enterprise for the institutions imparting investment and manufacturing credit for selling the numerous developmental sports in rural areas.
- It takes measures toward organization building for enhancing absorptive capability of the credit shipping device, such as monitoring, system of rehabilitation schemes, restructuring of credit score institutions, schooling of employees, etc.



- It co-ordinates the agricultural financing activities of all of the establishments engaged in developmental paintings at the field stage and continues liaison with authorities of India, state Governments, Reserve financial institution of India and other national level establishments worried with policy formulation.
- It prepares, on annual basis, rural credit score plans for all districts within the country; those plans form the base for annual credit plans of all rural monetary establishments.
- It undertakes monitoring and assessment of tasks refinanced by means of it.
- It promotes research in the fields of rural banking, agriculture and rural improvement.

## VI. KISSAN CREDIT CARD SCHEME

Crop loans are commonly distributed by way of the banks via the mode of Kissan credit score Card (KCC). The Kissan credit score Card Scheme is in operation at some stage in the united states and is carried out through industrial Banks, Cooperative Banks and RRBs. All farmers together with small farmers, marginal farmers, proportion croppers, oral lessees and tenant farmers are eligible for issuance of KCC. KCC holders also are protected below non-public accident coverage Scheme (PAIS) towards accidental dying/everlasting disability. financial institution assesses farmer's eligibility on the premise of land available for cultivation and the size of finance constant by means of the District stage Technical Committee in that district and the credit records of the farmer. The scope of the KCC has lately been wide-based to encompass time period credit and intake wishes. authorities has recommended the banks to transform Kissan credit score Card into a smart Card cum Debit Card.

### Features of KCC scheme are:

- Assessment of crop mortgage issue primarily based on the scale of finance for the crop plus coverage top class x quantity of place cultivated + 10% of the restrict toward put up-harvest / family/consumption necessities + 20% of limit in the direction of upkeep prices of farm assets.
- Flexi KCC with easy assessment prescribed for marginal farmers.
- Validity of KCC for five years.
- For crop loans, no separate margin need to be insisted because the margin is in-constructed in scale of finance.
- No withdrawal in the account to stay great for more than 12 months; no want to deliver the debit balance inside the account to 0 at any factor of time.
- Interest subvention /incentive for set off reimbursement to be available as in line with the authorities of India and / or kingdom authorities norms.
- No processing price as much as a limit of Rs. 3 lakh.
- One time documentation at the time of first availment and thereafter easy announcement (approximately vegetation raised/proposed) through farmer.
- KCC cum SB account in place of farmers having two separate accounts. The credit stability in KCC cum SB account to be allowed to fetch hobby at saving financial institution rate.
- Disbursement thru numerous shipping channels, such as ICT driven channels like ATM/ PoS/ cellular handsets.

## VII. SCHEMES OF BANKS

State Bank of India - State Bank of India presents a huge range of economic schemes for agriculturalists. these schemes consist of crop loans, Produce marketing loan Scheme, mortgage against Warehouse Receipts, Kissan credit Card Scheme, agricultural time period loans, Land improvement Scheme, Minor Irrigation Scheme, Farm Mechanization Scheme, Financing Of integrate Harvesters, Kisan Gold Card Scheme, Land purchase Scheme, Krishi Plus Scheme, Arthias Plus Scheme, Dairy Plus Scheme, Broiler Plus Scheme, Finance To Horticulture, Lead financial institution Scheme and Agri enterprise Heads Scheme. The bank additionally offers Micro Finance through Self assist organizations and loans through 30 regional rural banks.

- State Bank of Bikaner and Jaipur (SBBJ)
- State Bank of Hyderabad (SBH)
- State Bank of Indore (SBIR)
- State Bank of Mysore (SBM)
- State Bank of Patiala (SBP)
- State Bank of Saurashtra (SBS)
- State Bank of Travancore (SBT)

**Allahabad financial institution** - offers the Kissan credit score Card and Kisan Shakti Yojana Scheme. The Kissan credit score Card offers the Kissan credit Card and Kisan Shakti Yojana Scheme. The Kissan credit Card is a unique scheme for farmers via which they could draw a cash loan for crop production as well as domestic wishes from the cardboard-issuing branch within the sanctioned limit. The Kisan Shakti Yojana provides farm investment credit score, as well as personal/home loans which include reimbursement of debt to moneylenders. The permissible mortgage limit will be 50 consistent with cent of the price of land or five times the net farm profits, whichever is decrease, less the high-quality quantity, if any, in Agril.

Andhra bank -Provides centers to farmers like AB Kisan Vikas Card, AB Pattabhi Agricard, AB Kisan Chakra, rural godowns, agri clinics, agri provider centres, self help businesses and sun cookers. they also offer other schemes consisting of Kisan Sampathi, tractor financing, Kisan inexperienced Card, Surya Sakhti and loans to dairy marketers.

**Bank of Baroda** – Offers farmers the Baroda Kisan credit score Card. It additionally has schemes for the purchase of agricultural implements, heavy agricultural equipment like tractors, irrigation and other infrastructure. Financial institution of Baroda additionally budget the development of agri industries like horticulture, sericulture, fisheries, dairy and chicken.

Financial institution of India – Has a Kisan credit Card Scheme that facilitates farmers improve quick-time period price range for agriculture and other farm-based activities, on an on-going foundation, with very bendy and pleasant reimbursement terms. It additionally offers an agricultural mortgage for development of agriculture associated industries, purchase of machinery and other agricultural functions.

**Financial institution of Maharashtra** -Offers agriculturists a Mahabank Kisan credit Card and economic schemes for digging new wells, shopping harvesters, cattle, motors and land. compensation terms for one-of-a-kind agricultural loans variety from 3 to fifteen years.

**Canara bank** - Gives Kisan credit playing cards. Limits up to 50,000 haven't any margin while those above 50,000 have a margin of 15 to 20 percent. apart from this, Canara bank gives a big range of monetary schemes for extraordinary agricultural functions.

**National bank for Agriculture and Rural improvement or (NABARD)** – Is accountable for refinance disbursement to industrial banks, kingdom cooperative banks, state cooperatives, rural improvement banks, nearby Rural Banks (RRBs) and different eligible economic institutions. It additionally sanctions cash through its Rural Infrastructure development Fund for projects masking irrigation, rural roads and bridges, fitness and training, soil conservation and consuming water schemes. NABARD also gives a Kisan credit Card Scheme and crop loans beneath the Rashtriya Krishi Bima Yojana. Banks and RRB's added the Kisan credit score Card Scheme of NABARD in their regions of operation. On this scheme eligible farmers are provided with a Kisan credit score Card and a passbook or card-cum-bypass e-book. The revolving cash credit facility allows any quantity of withdrawals and repayments in the restriction. This limit is constant on the basis of operational land retaining, cropping pattern and the scale of finance. Sub-limits can be fixed at the discretion of banks.

This Kisan credit score Card is legitimate for 3 years challenge to annual review. As incentive for top performance, credit score limits can be superior to take care of boom in costs, alternate in cropping sample, and so forth. Each drawl should be repaid inside a most duration of 365 days. Conversion or rescheduling of loans is authorized in case of damage to plants because of natural calamities. Safety, margin, rate of hobby and other details are constant according to RBI norms.

**Bihar state Co-operative bank constrained (BSCB)** - Offers a number of loans and monetary schemes to agriculturalists.

**Haryana nation Co-operative Apex financial institution constrained (HARCOBANK)** -The bank offers crop loans, Kisan credit score playing cards, coins credit score in opposition to hypothecation of shares and intervening time finance via way of cash credit score.

**Country wide Federation of state Co-operative Banks confined (NAFSCOB)** – This federation gives more than a few agricultural loans through member country Cooperative Banks, District vital Cooperative Banks and primary Agricultural Cooperative Societies.

**Odisha state Co-operative financial institution restricted (OSCB)** - The bank has introduced Kisan credit score cards inside the S.T. Cooperative credit sector. It additionally organizes seminars on agri finance. OSCB has 17 relevant Cooperative Banks and round 810 mini banks in special districts of Odisha.

Systematic risk is the only independent variable for the CAPM and inflation, interest rate, oil prices and exchange rate are the independent variables for APT model.

Consumer Price Index (CPI) is used as a proxy in this study for inflation rate. CPI is a wide basic measure to compute usual variation in prices of goods and services throughout a particular time period. It is assumed that arise in inflation is inversely associated to security prices because Inflation is at last turned into nominal interest rate and change in nominal interest rates caused change in discount rate so discount rate increase due to increase in inflation rate and increase in discount rate leads to decrease the cash flow's present value (Jecheche, 2010). The purchasing power of money decreased due to inflation, and due to which the investors demand high rate of return, and the prices decreased with increase in required rate of return (Iqbal et al, 2010).

### VIII. VILLAGE INDUSTRIES

Any industry placed in a rural area which produces any goods or renders any carrier with or without the usage of strength and wherein the fixed capital investment in keeping with head of an artisan or a worker does not exceed [one lakh rupees] or such different sum as may additionally, by means of notification within the legitimate Gazette, be precise sometimes with the aid of the primary government provided that any industry special inside the time table and positioned in an area other than a rural region and recognized as a village enterprise at any time earlier than the graduation of the Khadi and Village Industries commission (modification) Act, 1987 shall, however whatever contained inside the sub-clause, remain a village industry underneath this Act provided that any industry specific within the agenda and located in an area aside from a rural area and known as a village enterprise at any time before the commencement of the Khadi and Village Industries fee (change) Act, 1987 shall, however something contained inside the sub-clause, stay a village industry below this act any other non-manufacturing unit installed for the only cause of selling, preserving, helping, servicing (which includes mother gadgets) or coping with any village industry

### IX. CONCLUSION

The government has performed a commendable job. The manner in which the entire section is treated with such detail, touching the middle regions of the phase is truly in the interest of the entrepreneurs. However, the parochial technique of the entrepreneurs has rendered the Act almost in fructuous in phrases of its applicability and utilization. The governments consequently have to absorb a miles extra persuasive method as a way to assist the entrepreneurs avail the benefits without impairing their vicinity of operation, productiveness and earnings

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