

Encouraging Women Entrepreneurship- Current Policies and Programmes

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Women entrepreneurs are critical to the economic growth of any country, which can be realized only by encouraging equality and enhancing opportunity for women in all walks of life. The inequalities and a huge gender gap persist in business in India, even though it has been well established through various research studies, worldwide, that female founded and co-founded enterprises perform better than those managed with all male(s). Women secure higher than the Men in key skills related to a business enterprise e.g. team work, problem solving and orientation. It was the realization of immense untapped women's potential that GOI has taken a large number of policy initiatives for mainstreaming women and to provide them a level playing field so that they could put their best in the country's economic growth. Women in India run around 8 million enterprises constituting about 14 per cent of the total entrepreneurs. The figure may not be encouraging, when we see that women constitute 48.95% of the population but the situation is in a way promising as 35.5% of start ups have women as Directors and 58% of entrepreneurs started their business at the age of 20 to 30 years. As such, any success to increase the number of women led enterprises or for increase in their productivity has a direct bearing on the country's economy.

2. Realizing the above, the Ministry of Women and Child Welfare brought out the draft **National Policy for Women (2016)**, which envisaged that all important micro level policies needed to be engendered and mainstreamed to address women's concern for being an equal partner in the country's development. The draft includes large number of policy statements, for raising the visibility of women in economy, which inter-alia includes entrepreneurship development, training and skill upgradation, support to women farmers in their livelihood etc. MWCD has been working to remove all impediments for women to become a successful entrepreneur and to create conducive environment for providing support in different areas, where they have been facing difficulties due to explicit reasons e.g. access to finance, access to latest skills and technology, access to market and business skills. A large number of programmes has been undertaken by different Ministries of GOI for encouraging entrepreneurship in the country wherein care has been taken to ensure adequate participation and share of Women, by way of special provisions and added incentives for them.

3. **Start up India Programme** was launched in February 2016 and over the period it had become the 3rd largest start-up ecosystem in the world, providing handholding, funding support, incentives, industry – academic partnership to provide conducive environment for start ups in the Country. A corpus fund of 10,000 crores has been earmarked for the programme to build a strong ecosystem by nurturing innovation and start-ups. 10% of the corpus fund is reserved for women led start-ups. This would act as catalyst in creating an enabling environment for innovations start-ups to flourish, having a multiple effect on employment generation and social transformation leading to growth.

4. **Prime Minister's Employment Generation Programme (PMEGP) Employment Generation Programme**. the scheme being implemented by Khadi and Village Industries Commission as the nodal agency through KVIC Directorates, State Khadi and Village industries Board (KVIBs), District Industries Centres and Banks. It is credit linked subsidy scheme to promote and set up MSME'S and to generate employment in rural and urban areas. For setting up new enterprises, subsidy level in the Programme to special categories, including women, is 25% and 35% in urban areas and rural areas, as compared to 15% and 25% in respective areas for General Category

5., Ministry of MSME launched **Udyam Sakhi**, a network for nurturing social entrepreneurship creating business models revolving around low-cost products and services to resolve social inequities. The portal, who have started or running their own businesses through its platform for entrepreneurship learning tools, incubation facility, training programs for fundraising, providing mentors, one-on-one investor meet, provide market survey facility and technical assistance.

6. **Udyam Shakti Portal for Women Entrepreneurs**: An initiative of Ministry of Micro, Small and Medium Enterprises, launched on the eve of International Women's day 2018, for nurturing social entrepreneurship creating business model, revolving around low cost products and services. It caters to the need of around 8 million Indian women and others to start, built and grow business and provide assistance for preparing business plan, incubation facility, training programs, providing mentor, market survey facility etc. Project with maximum cost of Rs.25 lakhs are covered under the Scheme (Rs.10 lakhs cost is for service based projects). The portal has been incessantly involved in revolutionizing the role of women outside the four walls of their home.

7. **Economic empowerment of Women Enterprises and Start-up by women in collaboration with a German Based Development Authority** is an initiative of Ministry of Skill Development and Entrepreneurs and provide incubation and accelerating program for women micro entrepreneurs to start new business and scale up existing enterprises. At present, the project is in operation in the States of Assam, Rajasthan and Telangana.

8. **Stand up India Scheme**: As part of MSME Policy, the Program was launched in 5th April 2016 for facilitating credit to women entrepreneurs with an objective of providing loans ranging from Rs.1 lakhs to Rs.1 Crore to at least one woman entrepreneur by one Bank each. . In case of non-individual enterprise covered under the Scheme, 51 per cent of the share capital and controlling stake should be that of the women. The scheme focus on only SC/ST and women entrepreneurs.

9. **Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)**: Small Industries Development Bank of India (SIDBI) and Ministry of Micro, Small and Medium Enterprises launched the scheme to make available collateral-free credit to the micro and small enterprise sector. Both the existing and the new enterprises are eligible to be covered under the scheme. for which a Trust named Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) to implement the Credit Guarantee Fund Scheme for Micro and Small Enterprises has been established to provide credit facilities up to Rs 200 lakh per eligible borrower covered provided they are extended on the project viability without collateral security or third party guarantee. The extent of guarantee cover is 80% for Micro and Small Enterprises being operated and/or owned by Women; for credit facilities upto Rs 50 lakh. In case of default, Trust settles the claim up to 75% of the amount in default of the credit facility extended by the lending institution for credit facilities upto Rs 200 lakh.

10 . **Micro & Small Enterprises - Cluster Development Programme** :The Ministry of Micro, Small and Medium Enterprises (MSME), Government of India (GOI) has adopted the Cluster Development approach as a key strategy for enhancing the productivity and competitiveness as well as capacity building of Micro and Small Enterprises (MSEs) and their collectives in the country. A cluster is a group of enterprises located within an identifiable and as far as practicable, contiguous area or a value chain that goes beyond a geographical area and producing same/similar products/complementary products/services, which can be linked together by common physical infrastructure facilities that help address their common challenges. The objective of the scheme is to support the sustainability and growth of MSEs by addressing common issues such as improvement of technology, skills & quality, market access, etc, capacity building through formation of self help groups, consortia, set up Common Facility Centres (for testing, training, raw material depot, effluent treatment, complementing production processes, et) Women Owned enterprises are given special consideration in all the programmes.

11. **Mudra Yojana Scheme for Women:** This scheme has been launched by the Govt. of India for individual women wanting to start small new enterprise and businesses like beauty parlours, tailoring units, tuition centers, etc as well as group of women wanting to start a venture together. The loan doesn't require any collateral security and can be availed for an amount upto 50,000 to 10 Lakhs.

12. **Exhibition for Women under promotional package for Micro and Small Enterprises under marketing support:** For encouraging women entrepreneurs' to take part in International Exhibitions certain provisions like free space in Exhibitions, economy class air fare for one women representative and shipping cost up to Rs 1500 is reimbursed.

12. **Financing Schemes offered by Banks :** A large number of banks have schemes to support entrepreneurship among women by providing certain concessions in the rate of interest, collateral security etc. Some of these schemes are listed below :

i. **Shri Shakti Package for Women Entrepreneurs :** SBI run scheme offering concessions to women with majority ownership over 50% in a business provides interest concession 0.05% on loans exceeding Rs 2 lakhs with no security for loan upto Rs 5 lakhs.

ii. **Cent Kalyan Scheme :** Central Bank of India scheme for new entrepreneurs and self- employed women for macro/small enterprises. Loan upto Rs 1 crore without any collateral security.

iii. **Mahila Udyam Nidhi Scheme :** Offered by Punjab National Bank and SIDBI to support women enterprises to set up new small scale ventures extending loan upto Rs 10 lakhs to be repaid in 10 years. Similar support to women enterprises is being offered and loan even upto Rs1 Crore ,without any collateral security to women entrepreneur. To name a few, Oriental Mahila Vikas Yojana Scheme by Oriental Bank of Commerce, Bhartiya Mahila Bank Business Loan, Dena Shakti Scheme by Dena Bank, Udyogini Scheme by Punjab and Sindh Bank etc.

13. Realising the importance of these programmes and in order to motivate and encourage more and more women and girls to convert themselves into entrepreneurs the National Commission for Women celebrated its 26th Annual day with a Panel Discussion on "Empowering Women through Entrepreneurship" at India Habitat Centre New Delhi on 31st January 2019. Huge gathering of young women, students from different Colleges and Universities with 5 eminent panellist evoked considerable interest and active participation of audience.

14. Similarly, NCW held a Consultation on "Assisting Women Led Enterprises" in collaboration with Ministry of Micro Small and Medium Enterprises on 11th March 2020 at India International Centre New Delhi .The Consultation was attended by Women Entrepreneurs, NGOs and Senior Officers of Govt of India and was intended to prepare a road map for reaching out to the clusters of women led MSMEs, with the objective of improving their skills in mathis, the Commission had also organised Regional Seminar on the subject at Shillong (Meghalaya) on 15th March, 2019 in collaboration with Meghalaya State Commission for Women, at Gangtok (Sikkim) on 26th March 2019 in collaboration with Sikkim State Commission for Women and at Tiruchirappalli Tamil Nadu on 2nd August, 2019 in collaboration with Tamil Nadu National Law University and at Jammu University, Jammu on 22nd Jan, 2020 .