

RURAL WOMEN ENTREPRENEURSHIP IN INDIA 2020: SOME MAJOR GOVERNMENT SCHEMES

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ABSTRACT

Today women entrepreneurship becomes significant tool for women empowerment. Women entrepreneurs need to enhance their living standard into a comfortable level along with their family which in turn helps in development of the country. Generally entrepreneurs are strength of any successful economy in the world. Women entrepreneurs may be defined as a women or a group of women who initiate, organise and run a business enterprise. The role of women at the work place has undergone a dramatic change in the last 50 years. In the process of empowerment, women need to realise their strength, weakness, opportunities and threats and move forward to come out their own potential in order to achieve their goals through self-development. Moreover they want new challenges and opportunities for self-fulfillment. Rural women entrepreneurs must have an intention to fulfill their dreams and it must be transferred into an idea enterprise. This paper focuses towards of Schemes which introduced by government of Indi for development of women entrepreneurs in India 2020.

Keywords: Rural, Entrepreneurs, Self-development, Strength, Weakness, Opportunities, Schemes etc.

INTRODUCTION:

Our present Finance Minister Smt.Nirmala Sitharaman's Budget 2020-21 promised greater allocation for women welfare. The budget did very little to support startups directly and much less for women, say entrepreneurs. Yet, from the overall startup ecosystem perspective, women leaders are optimistic. With the constant development in the Indian startup ecosystem, more and more women are chasing the entrepreneurial dream and succeeding in their ventures. This is empowering other Indian women who are still confined to the traditional homemaker role to think for themselves. However, a recent report states that only two Indian cities have made it to a ranking of the 50 most favorable global places for women to work. India's Silicon Valley, Bangalore, ranked 40th, while Delhi came in at the 49th place. The ranking based on inputs from Indian women entrepreneurs, policymakers, venture capitalists, media, and academicians measures a city's ability to attract and support women who want to grow their businesses.

According to the National Sample Survey 2019-20, only 14% of the businesses in India are run by women entrepreneurs. Most of the companies are bootstrapped and run on a small scale. The global disparity

is evident in a report which says nearly 126 million women have their own business across the globe with Indian women lingering around the 8 million mark; a paradoxical statement given that we are the second most populous nation in the world! Thus we have compiled the list of successful business woman in India.

In the words of APJ Abdul Kalam “Empowering Women is a prerequisite for creating a good nation, when women are empowered, society with stability is assured. Empowerment of women is essential as their thoughts and their value systems lead to development of good family, good society and ultimately good nation”.

When a woman is empowered it does not mean another individual becomes powerless or is having less power. On the contrary if a woman is empowered her competencies towards decision-making will surely influence her family behavior. Entrepreneurship is crucial for overall development of any nation and in the present years it gained importance with the participation of women. Women today are more progressive and play a vital role in fulfilling their economic needs and attaining social status.

REVIEW OF LITERATURE:

Vinay Pal Singh, Hari Om Gupta (2018) in their paper entitled “Women Entrepreneurship in Rural India: A Bang for the Buck in Economic Growth” highlighted the current status of women entrepreneurs and their valuable contribution in sustainable economic growth of rural areas of India. And this also focuses on the future scenario of women entrepreneurs and government initiatives for making women entrepreneurs more unbeaten. This study reveals some strategies for empowering rural women.

Priyanka Sharma (2013) in his paper entitled “Women Entrepreneurship Development in India” focuses on the Indian women, of their identity, and especially of their role taking and breaking new paths, will be incomplete without a walk down the corridors of Indian history where women have lived and internalised various role models.

Sreenivasa Rao behara & K. Niranjan (2012) in their article “Rural Women Entrepreneurship in India”, the study is intended to find out various problems, motivating and de-motivating factors of women entrepreneurship. It is an attempt for real problems and motivational factors with a real Case study from Andhra Pradesh. It will also suggest the way of eliminating and reducing hurdles of the women entrepreneurship development in Indian Context.

Satpal A, Rupa Rathee A and Pallavi Rajain A, (2014) in their study on “Women Entrepreneur in Indian” examines an entrepreneur is a person who has an enterprising quality with an eye on opportunities and an uncanny vision, a person who is willing to take risks because of the adventurous skill within, same holds good for women also. The present paper endeavor’s to study the concept of women entrepreneur and challenges faced by them in India. Some suggestions have been provided to deal with these problems. Also with the increase in the number of women getting educated, there is considerable awareness among women to be self-employed and gradually the role of women is changing in the society.

Danish Ahmad Ansari (2016) in paper “Women Entrepreneurship in India an empirical study”, examines on Entrepreneurship for Women development is an essential part of human resource. In Comparison to other countries, the development of women entrepreneurship is very low in India, especially in rural areas. However,

middle class women are not too eager to alter their role due to fear of social backlash. The progress is more visible among upper class families in urban areas.

NEED FOR THE STUDY

Very few studies have been made on Women Entrepreneurs in India, No research has been made on in Women Entrepreneurs in Rural India 2020: Government Schemes, Therefore, it has in cited to undertaken this study to fulfill the following objectives.

OBJECTIVES OF THE STUDY:

The present study aims at fulfilling the following objectives.

1. To Study the statistics on women Entrepreneurs in India 2020
2. To know the aware about schemes for empowering women entrepreneurs in 2020.
3. To suggest measures for uplifting the status of women entrepreneurs

RESEARCH METHODOLOGY:

The objective of this article is to know the statistics of women entrepreneurs in rural India and schemes launched by government of India for development of women entrepreneurs, necessitated the use of secondary data only. The secondary data were collected from Books, reports, journals and magazines. Data were also collected by surfing the net and from relevant websites.

SOME INTERESTING STATISTICS ON WOMEN ENTREPRENEURS IN INDIA 2020:

1. About 58% of the female entrepreneurs were in the age range of 20-30 when they started out.
2. Nearly 73% of them report revenue of approximately Rs 10 lakhs in a financial year.
3. Almost 57% of these women started out solo i.e. without any other member.
4. About 35% of the women had a co-founder.
5. Roughly 71% of the Indian female entrepreneurs employ five people or less.

In a country like India where most of the women aren't encouraged to think big (especially the rural parts of the nation), there are some who have soared higher than one would expect from a constrictive setup. These wonder women are inspiring other ladies to venture on the path of startups through the stories of their personal struggles and challenges. As a result, India is steadily rising up the ranks when it comes to a favorable startup ecosystem with solid backing from the Government.

WHY WOMEN ENTREPRENEURS ARE MISSING FROM INDIA'S STARTUP:

Only 43% of the 27,084 recognised startups in India had a woman director as of 8 January, according to the Economic Survey 2019-20. Women's representation remained low even in the states that, according to the survey, were top performers in terms of state-wise distribution of recognised startups from Delhi, Maharashtra and Karnataka. And also, in the Index of Women Entrepreneurs 2019, India ranked 52 out of the 57 surveyed countries. According to Capital, a venture debt and lending platform, the number of funded startups with at least one female co-founder declined from 17% in 2018 to 12% in 2019. "Women have no risk covering possibility financially, besides lack of credit support. There is lack of institutional support system for first timers so even at smallest obstacle they give up.

As per industry-wise distribution of recognised startups, IT services accounted for 13.9% followed by healthcare and life sciences (8.3%) and education (7.0%), shows the economic survey. "Women make up for 70% of the global health workforce and are the primary caregivers for the elderly and children. Despite their clear dominance in healthcare, investor interest in health startups by women continues to remain scarce," said Savitha Kuttan, CEO, Omnicuris, a health-tech startup. "While Startup India has helped budding entrepreneurs interact with industry leaders, formulate and execute business plans, we need to focus on promoting women entrepreneurs in the science and healthcare sector."

The government said that though startups drive economic growth, create employment and foster a culture of innovation, it did not apparently help women venturing into businesses. "Women are missing in the Startup India initiative because many women, who start their initiatives, are not in the limelight or mentored professionally. Additionally, when it comes to funding, women are not only scrutinised about how they'd manage their businesses, but also their families in parallel, which isn't a filter men are put through," said Riya Saxena, innovative finance associate, the United Nations Development Programme (UNDP). "Thus women need to break through to filters to raise capital and grow their businesses."

"Women in rural areas, especially, are a potential gold mine when it comes to entrepreneurship and must be encouraged through skilling and handholding," said Neha Rastogi, founder and CEO, Agatsa, a healthtech company. To promote entrepreneurship among the youth, Prime Minister Narendra Modi announced the Startup India, Stand-up India initiative on 15 August 2015. The initiative was aimed at creating an ecosystem that is conducive for the growth of startups. The ORF researchers recommended that women entrepreneurs in India need better access to finance and networks. Organisations such as NITI Aayog's Women Entrepreneurship Platform, Catalyst for Women Entrepreneurship, and the accelerator for women in tech initiated by Zone Startups India, provide dedicated support for women entrepreneurs, it added.

So, today we list down eight schemes introduced by financial institutions in India, including nationalised banks that all women entrepreneurs need to be aware of:

1. ANNAPURNA SCHEME:

Under this scheme, the Government of India offers women entrepreneurs in food catering business, loans upto ₹50,000. The loaned amount could be used for working capital requirements such as buying utensils, cutlery, gas connection, refrigerator, mixer cum grinder, hot case, utensil stand, tiffin boxes, working table, water filter etc.

A guarantor is required to avail the loan and the assets of the business have to be pledged as collateral. Once sanctioned, it has to be repaid in 36 monthly installments (which equals to a period of three years). After the loan is sanctioned, the lender doesn't have to pay the EMI for the first month. The interest rate is determined depending upon the market rate and the bank concerned. The State Bank of Mysore and Bharatiya Mahila Bank currently offers this scheme.

2. STREE SHAKTI PACKAGE FOR WOMEN ENTREPRENEURS:

The Stree Shakti Package is a unique SBI-run scheme to support entrepreneurship among women by providing certain concessions. This scheme is eligible for women who have majority ownership (over 50 percent) in a small business. Another requirement is that these entrepreneurs have to be enrolled in the Entrepreneurship Development Programmes (EDP) organised by their respective state agency. This scheme allows women to avail an interest concession of 0.05 percent on loans exceeding ₹2 lakh. No security is required for loans up to ₹5 lakh in case of tiny sector units.

3. CENT KALYANI SCHEME:

This scheme under the Central Bank of India can be availed by both existing and new entrepreneurs and self-employed women for micro/small enterprises like farming, handicrafts, food-processing, garment making, beauty, canteen, mobile restaurants, circulating libraries, day creches, STD/Xerox booths, tailoring etc. (in other words, agriculture, cottage industries, small and medium enterprises, government sponsored programs and retail trade.)

Under this scheme, loans up to ₹1 crore are sanctioned with a margin rate of 20 per cent. You do not require any collateral security or guarantors for this loan. Interest on loans depends on market rates. The loan tenure will be a maximum of seven years including a moratorium period of 6 months to 1 year.

4. MUDRA YOJANA SCHEME:

This is a general scheme for small units that women entrepreneurs can avail of too. Offered by nationalised banks under the Pradhan Mantri Mudra Yojana, this can be used to set up beauty parlour, tuition center, tailoring unit, etc. Loans between ₹50,000 to ₹50 lakh are sanctioned under this scheme. No collateral and guarantors are required for loans below ₹10 lakh.

The scheme has three plans:

- Shishu – Grants you loans up to a maximum limit of ₹50,000 for a new business with rate of interest being 1 per cent per month or 12 per annum. The repayment period up to 5 years.
- Kishore – Grants loans from ₹50,000 up to Rs 5 lakh for well-established businesses. The rate of interest varies with banks as it depends on the scheme guidelines and credit history of the applicant. Repayment period also depends on the discretion of the bank.
- Tarun – Grants loans from ₹5 lakh up to ₹10 lakh for business expansion. The rate of interest is dependent on the bank as per the scheme guidelines and credit history of the applicant. Repayment period depends on the discretion of the bank.

5. MAHILA UDYAM NIDHI SCHEME:

Offered by Punjab National Bank and Small Industries Development Bank of India (SIDBI), this scheme supports women entrepreneurs to set up a new small-scale venture by extending loans upto ₹10 lakh to be repaid in 10 years. SIDBI also includes a five year moratorium period. The interest depends upon the market rates. Under this scheme, SIDBI offers different plans for beauty parlours, day care centres, purchase of auto rickshaws, two-wheelers, cars, etc. It also assists with upgrading and modernisation of existing projects.

6. DENA SHAKTI SCHEME:

It provides loans up to ₹20 lakh for women entrepreneurs in agriculture, manufacturing, micro-credit, retail stores, or small enterprises. It also provides a concession of 0.25 percent on rate of interest. Loans up to ₹50,000 are offered under the microcredit category.

7. ORIENT MAHILA VIKAS YOJANA SCHEME:

Launched by Oriental Bank of Commerce, women, who hold a 51 per cent share capital individually or jointly in a proprietary concern, are eligible for the loan. No collateral security is required for loans between ₹10 lakhs to ₹25 lakhs for small-scale industries. The repayment period is seven years. It also provides a concession on the interest rate of up to 2 per cent.

8. BHARTIYA MAHILA BANK BUSINESS LOAN SCHEME:

The scheme was implemented by Bhartiya Mahila Bank (BMB) which was later merged with State Bank of India in 2017. A public sector banking company established in 2013, it offered women entrepreneur's business loans up to ₹20 Crores for meeting working capital requirement, business expansion, or manufacturing enterprises. It also offers special business loans with a lucrative rate of interest and grants collateral-free loan up to ₹1 crore under CGTMSE (Credit Guarantee Fund Trust for Micro and Small Enterprises) cover.

Women entrepreneurs are also offered 0.25 per cent concession in interest rate. It includes a combo of working capital and term loan. The repayment tenure is flexible and has to be repaid within seven years. Some of the different plans under the scheme include:

- **Shringaar-** The BMB Shringaar loan is applicable to self-employed women or homemakers who want to set up a parlour, purchase equipment, or meet daily business expenses. The loan doesn't require you to provide any collateral security.
- **Parvarish-** Similarly, BMB Parvarish loan is for self-employed women or homemakers to set up day-care creches. The upper limit of this loan can be ₹1 Crore without any collateral security under the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTSM) scheme.
- **Annapurna-** Food entrepreneurs, between 18 to 60 years, wanting to start or expand their small business can avail this loan. Its features are similar to that of State Bank of Mysore's Annapurna scheme, minus the fact that it does not require collateral security.

SUGGESTIONS FOR EMPOWERING WOMEN IN RURAL AREAS OF INDIA :

Even though there are various schemes were launched by Indian government for women entrepreneurs but due to some improper implementation these policies and schemes are not achieved the target. There are few suggestions for mounting up women entrepreneurship in rural areas of India:

- Women in rural areas facing problems due to lack of funds. Because of their small knowledge women entrepreneurs face great difficulty for expanding funds through micro finance institutions as well as from financial institutions. So, there is a need of making sound financial infrastructure for these industries.

- Women entrepreneurs are not professionals. They don't have management expertise skills and they mainly use labor intensive and obsolete technique. Kindly to make them technically sound with managerial skills various developments programme to be conducted for women entrepreneurs.
- Now days, women are giving competition to males dominated society in urban areas but not in villages, situation is in villages are entirely different. They are still unaware about their rights. They are restricted to kitchen boundaries. So there is a great requirement to make aware women in rural areas and promoting government schemes in rural areas for developing women entrepreneurs.
- Government and other NGO's should take initiatives to arrange vocational training programs in villages for women community that enables them to understand the business process.
- Women are facing socio-cultural barriers in the society. They are treated in a different way inside and outside the walls of house. Until the perception of male dominated society does not change, women cannot become unbeaten.
- Well-defined policy and a women welfare cell with in the ministry of labor and employment both at center and state level under the supervision of a senior officer to resolve the problems of entrepreneurs. More concessional business loans for women entrepreneurs should be given for their business. Government must introduce Rural Employment Guarantee Act and Constitution must pass the Act for immediate implementation.

Conclusion:

Economic empowerment of rural women will lead to the development of our country in 2020 and it is very necessary to give keen attention over the empowerment of women in the rural areas for the real development of our country in all spheres. Women's entrepreneurship is important for women's position in society, and economic development of women will lead to development of family, community and country. Government of India launched many schemes for development of rural women through providing financial support and encouragements. It opens up new avenues for creating employment opportunities for rural women. The present paper focuses on parameters to be focused to enhance the entrepreneurial skill of rural women and in turn their empowerment and various Schemes which introduced by government of Indi for development of women entrepreneurs in India 2020.

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