

**A COMPARATIVE ANALYSIS OF NATIONALIZED BANK SCHEMES FOR
WOMEN ENTREPRENEURS**

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ABSTRACT

Entrepreneurship is contributing heavily to the growth and economic development of our country. It has not only become a lucrative career option but is also regarded as the biggest employment generator providing financial support to millions of employees. This career option has now started gaining acceptance amongst women also given the time and efforts they can put in and their pursuits and passions to do something and make a mark of their own. Women entrepreneurs are coming to the forefront and emerging as an employment generator as far as the field of entrepreneurship is concerned. Backed by the ability to judge market opportunities and growing awareness and acceptance within the society, of the importance of female education and technical expertise they are paving way to becoming budding business tycoons not only contributing to the development of economic strata of the country but also to the social upliftment. Government has realised their contribution in making India self-reliant and are in wake of providing opportunities to them by facilitating various schemes, creating financial awareness and providing them required credit support. This paper is a genuine attempt by the researcher in appraising the innumerable financial backing and support offered by various schemes which are put in place. The researcher has also thrown light over the comparative structure of the schemes available and has tried to make suggestive inclinations towards the most feasible financing option available to them.

Keywords: Women, Entrepreneur, Nationalized Bank, Empowerment, Financial Assistance & Schemes, Economy.

INTRODUCTION:

India has now been gaining acceptance worldwide as a terrestrial of countless opportunities to grow and prosper. Business tycoons are trying their hands and making investments in India. The benefits have been evident from the start up boom and increasing government assistance and motivation to the budding entrepreneurs Make in India and thereby making India self-reliant has been the vision of our leaders and our country is witnessing increased foreign direct investments from abroad. Ours being a developing economy people are trying to increase the standard of living by finding opportunities in every dynamicity in the recent decade. None of the sectors remain untapped right from food, beauty, hospitality, travel and tourism, sanitation, Information technology, automobile sector, education entertainment and even innovation, a new cohort of budding entrepreneurs are venturing into even the lesser explored ones in order to find solutions and building base for successful business ventures. The entrepreneurial ventures are becoming areas of special interest not only for the male fraternity but is even getting acceptance from the female fraternity. Female entrepreneurs are finding place universally as far as the start-up network of the country is concerned. Women these days are not only leaving the comfort of their homes but are often seen quitting their high-profile jobs to join the talent pool. The important contributory factor to give a kick start to the entrepreneurial journey is the financial assistance offered by government through various schemes and offering.

RESEARCH METHODOLOGY

The present research is an attempt to study the various types of Nationalized Bank Schemes for Women Entrepreneurs. The research is descriptive in nature. The research data has been collected through various secondary data sources which includes research articles, based web sources etc. Based on data availability of Schemes for Women Entrepreneurs the research sample schemes have been selected and further analyzed.

OBJECTIVES

- To study the Nationalized Bank Schemes for Women Entrepreneurs
- To compare the top five Schemes offered by Nationalized Bank Schemes for Women Entrepreneurs
- To suggest the most favorable loan option to budding Women Entrepreneurs.

SIGNIFICANCE AND SCOPE

The scope of research is limited to Nationalized Bank Schemes only. The research is strictly focused on engagement of Women Entrepreneurs. The research is mere attempt to sight out the most favourable loan option to budding Women Entrepreneurs. Furthermore, the research covers and compares only the top five Schemes offered by Nationalized Banks in India as expanding the scope may not be possible with limited time and resources.

CONCEPTUAL FRAMEWORK

The following section discusses on the comparative analysis of schemes available for application of bank loans.

1.1. Bhartiya Mahila Bank Business Loan

In order to support women entrepreneurs, of the several schemes launched is the Bhartiya Mahila Bank Business Loan. This scheme is a sincere attempt to promote women to venture out in the several sectors like retail, MICRO and SME loans and those against property. The scheme offers a loan capping of Rs 20 crores for the manufacturing sector. It offers a concessional rate up to the extent on 0.25% on the interest rates which usually amount to 10.15% or more than that. This scheme even offers loan up to Rs 1 crore without any collateral under the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)

1.2. Dena Shakti

This Dena Shakti scheme offers promotion to females for their entrepreneurial ventures of manufacturing sector, agriculture, retail outlets small scale businesses. The financial assistance is provided in the form of loan ranging from 50,000 for micro credit to 20lakh in case of retail trade and a reduced interest rate is offered with a reduction of 0.25%

1.3. Udyogni Scheme for Women Entrepreneurs

Udyogni Scheme offered by Punjab and Sind Bank enables women entrepreneurs to pursue their entrepreneurial ventures in Agriculture, retail business and small-scale enterprises. This scheme provides loans on flexible terms and concessional interest rates. The maximum capping on the loan amount is 1 lakh for women of ages 18 to 45 years after considering the family income of 45,000 per year for women of SC/ST category.

1.4. CENT – KALYANI

CENT – KALYANI scheme provided by the Central Bank of India has a basic objective of supporting women to initiate their ventures. This scheme provides for loan which can be availed by females involved in cottage industries, micro, small and medium enterprises, agriculture and allied activities, retail trade, self-

employed women and government-sponsored series. Loans can be granted to a maximum of 100 lakhs under this scheme. Loans are offered under this scheme without any collateral and guarantor. It has no processing fee.

1.5. Mahila Udyam Nidhi Scheme

Mahila Udyam Nidhi Scheme offered by Punjab National Bank has a basic objective of assisting women entrepreneurs of small-scale industries. Under this scheme soft loans are granted with a maximum repayment tenure of 10 years. It offers a variety of plans for parlours, day care centres, auto rickshaws, two-wheeler and car purchases. The interest rate is market determined and maximum loan amount is of Rs 10 Lakh.

1.6. Mudra Yojana Scheme for Women

Mudra Yojana Scheme is offered by Government of India for women aspiring to kick start small enterprises like beauty parlours, units involved in tailoring, coaching centres, etc. The loan can be availed without providing any collateral security under 3 schemes –

- Shishu Yojana– With a maximum loan amount of ₹50,000 for business enterprises in their start-up stages.
- Kishor Yojana – With a maximum loan amount which usually ranges between ₹50,000 and ₹5 lakhs for well-established enterprise.
- Tarun Yojana – With a maximum loan amount of ₹10 lakhs for well established businesses requiring additional funds for expansion purpose.

1.7. Comparative Chart:

	Interest Rate	Loan Amount	Loan Tenure
Bhartiya Mahila Bank Business Loan	Interest rates range between 10.15% per year - 13.65% per year	Maximum Loan: Retail Trader and Service Enterprises: Maximum Rs. 5,00,00,000; Manufacturing	Up to 7 years
Dena Shakti	A concession / rebate of 0.25% in the rate of interest as applicable	Rs. 50,000 – Rs. 20 Lakhs	Up to 7 years
Udyogni Scheme for Women Entrepreneurs	Competitive, subsidized or free for special cases	Max. up to Rs. 3 lakhs	Up to 7 years
Cent Kalyani Scheme	Concession in Rate of interest - Loan up to Rs. 10 Lacs - MCLR + 0.25% Loan above Rs. 10 Lacs and up to Rs.100 Lacs - MCLR + 0.50% Additional Interest concession of 0.25% if account is rated by external agency.	Maximum Rs. 100 Lakhs.	
Mahila Udyam Nidhi Scheme	interest depends upon the market rates	maximum ₹10 lakhs	10 years
Mudra Yojana Scheme for Women	8.05%	Shishu: covering loans upto 50,000/- Kishor: covering loans above 50,000/- and upto 5 lakh Tarun: covering loans above 5 lakh and up to 10 lakhs	Up to 5 years

	Processing Fee	Eligibility Criteria
Bhartiya Mahila Bank Business Loan	As per bank's norms	Eligible categories include Sole Proprietors ,Partnership Firms, Public and Private Limited Companies and Co-operative Society with Minimum 2 years of work experience; for self-employed and minimum of 2 years of business continuity
Dena Shakti	0.50%	Activities covered include Agriculture & allied activities, Small Enterprises, Micro and small enterprises, Retail Trade, Micro Credit, Education and Housing
Udyogni Scheme for Women Entrepreneurs	Nil	Women enterprises consisting of all units managed by one or more women entrepreneurs in proprietary concern or in which she/they individually or jointly have a share capital of not less than 51% as partners/shareholders /directors of private limited company/members of co-operative society.
Cent Kalyani Scheme	NIL	women who are involved in village and cottage industries, micro, small and medium enterprises, self-employed women, agriculture and allied activities, retail trade, and government-sponsored programs.
Mahila Udyam Nidhi Scheme	1%	Women entrepreneurs who have initiated existing and new MSMEs, Tiny Units or SSIs Financial holding of women entrepreneurs should not be less than 51%, engaged in manufacturing and production purposes Existing or new MSMEs engaged in services, trading and manufacturing sectors MSMEs or tiny enterprises with minimum investment of at least Rs. 5 lakhs MSMEs engaged in various activities, such as business expansion, improvement, diversification, and technology upgradation
Mudra Yojana Scheme for Women	NIL to upto 0.5%	The key parameters to get Mudra Loan are age, business type and loan requirement. Mudra loan can be availed by the applicants with an age range of 18 to 65 years. Non-farm income-generating businesses in manufacturing, trading and services can get this loan. This loan can be taken by businessmen with loan requirement of up to ₹ 10 Lakh.

According to the Sixth Economic Census published by the Ministry of Statistics and Program Execution, women make up approximately 14% of India's overall entrepreneurial base, i.e. 8.05 million out of 58.5 million entrepreneurs in total.

The socioeconomic position of women in India remains unacknowledged. Most women work outside the house as unpaid caregivers, household administrators or in other home-based positions; only a minority work. Although women are well educated and experience better healthcare than before, structural, social and economic obstacles to paid jobs continue to be faced. That limits the individual economic development of women and limits the social and economic growth of India. As an untapped opportunity in the world, women's capacity remains.

India's development narrative has neglected women amid substantial strides. It is estimated by the World Bank that 75% of working-age women (35% of the working-age population of India) actually do not have a paying job. With an abysmally poor internet penetration rate of 19 percent, only 59 percent of women have access to cell phones and only 35 percent of women actually use their bank accounts, further restricting their resources. Finally, while women account for 42 percent of India's agricultural labour force, women own just 2 percent of the agricultural land. Of India's approximately 432 million working-age women, approximately 343 million are not officially employed. Of the approximately 432 million working-age women in India, approximately 343 million are not officially employed. Of these women, an estimated 324 million are not in the labour force, and another 19 million are in the labour force but are not working.

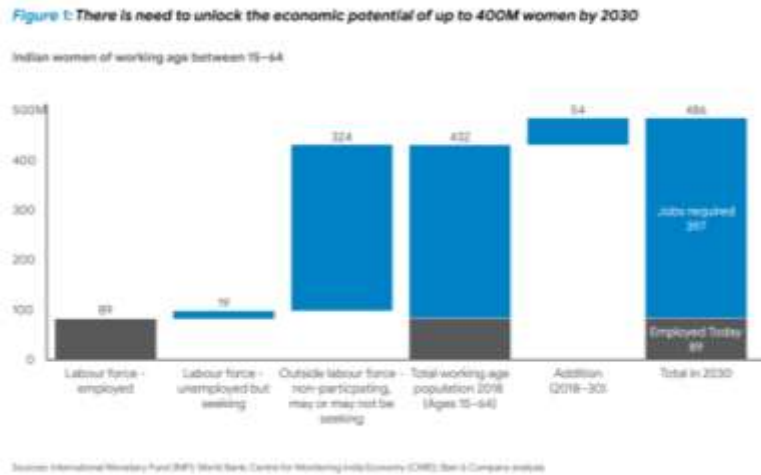


Figure 1: Leveraging the economic capacity of up to 400 million women by 2030 is essential

The participation rate of women in the labour force (LFPR) in India, now among the lowest in the world, continues to decrease. The decline in the number of working women between 15 and 24 years of age may be partly due to an increased emphasis on education. The secular downturn and recent stagnation in women's participation rates between 25 and 64 are troubling, nevertheless (see Figure 2). Ironically, women who engage successfully in the workforce are 2.9 times more likely to be unemployed than men. In comparison, women graduates are more than 3.5 times more likely to be unemployed than their male counterparts, according to a 2019 Centre for Monitoring India Economy (CMIE) report. In India, total unemployment is 7%, but women's unemployment is 18%. In comparison, unemployment is much higher for women with tertiary education.

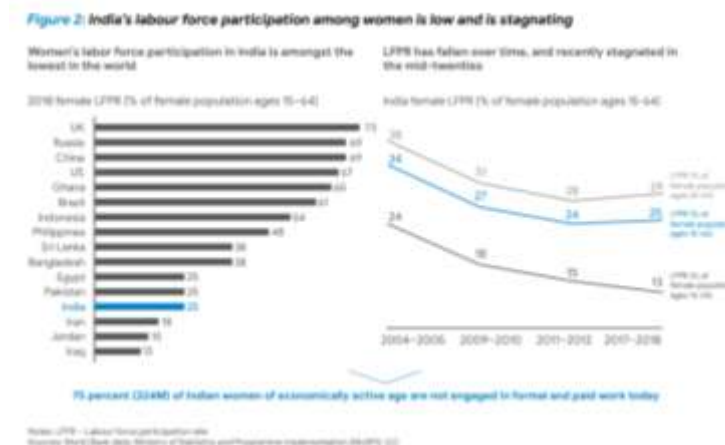
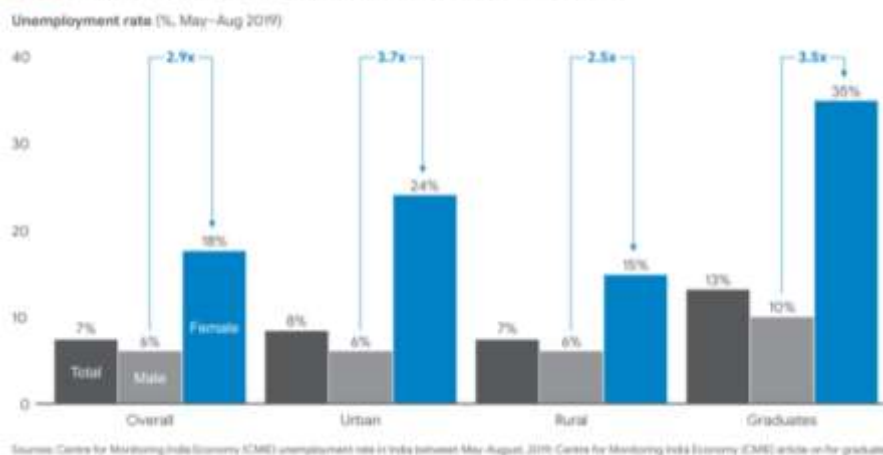


Figure 2: The participation of India's labour force among women is poor and stagnating

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Figure 3: Unemployment throws disproportionate challenges for women



The burden on women will increase as repetitive occupations become automated, and they will face higher unemployment rates. According to a survey by the Center of Women's Policy Studies in 2019, women traditionally occupy much of the managerial and data-processing positions that artificial intelligence and other technology seek to usurp.

India's working-age population will reach 1 billion by 2030, an incredible amount and it will be the largest in the world. In view of the above trends, LFPR metrics will fall further as an additional 110 million people will join the workforce, of which about 54 million are women. Coupled with the existing estimates, it is indicative that women alone will need up to 400 million jobs, and without immediate intervention, the economic and employment divide between women and men will begin to expand. This expected explosion in the working-age population gives India an unprecedented opportunity to change its history of growth. Relying entirely on the improvement of work conditions in the private and government sectors would not generate the number of workers required to accomplish that purpose. We must take bold measures in order to prevent squandering this generational dividend and genuinely advance women's capacity.

A non-traditional approach needs to be taken by India. Entrepreneurship is a solid, and largely untapped, resource for working-age women in India, in addition to job development by the private and government sectors. Entrepreneurship among women could change India's economy and society by generating jobs, sparking creativity and advancing investment in health and education.

CONCLUSION

From the above data, statistics and results it can be concluded that number of women entrepreneurs has increased over the period of time but unemployment of women is also a major concern for nation's growth and economic development. As targeted by government women entrepreneurs could be the face changing support to the Indian economy in the next decade. This will not only improve socio economic position of women but also will support nation's economic growth. Women entrepreneurs can make best utilisation of Nationalised bank schemes to give a kick start to their career. From the above analysed banking options the latest Mudra Yojana scheme for women will act as a boon for budding women entrepreneurs.

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