

## A Study on Support Systems for Women Entrepreneurship in India

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### Abstract

This paper tries to investigate how the “Stand Up India Scheme” supports the young women in India facing problems and challenges to take up entrepreneurship as a career. Many women have this quality but they never get a platform to showcase their talents and hence they don’t know their real abilities. Though the women in India are considered as source of power, but they are also considered weaker sex and male dominance is still prevailing in the society. Practically women empowerment is still an illusion of reality. To eradicate this scenario “Stand up India Scheme” was launched by Prime Minister Narendra Modi on 5th April 2016 as part of the government's efforts to encourage women entrepreneur and SC & ST communities. Under this scheme, entrepreneurs can get bank loans ranging between 10 lakh and 1 crore for scheduled castes and scheduled tribes and women to kick start their businesses. According to the government; these are sectors of the population that are often underprivileged or under-served. Both these sectors are upcoming, and fast. The scheme helps them out by facilitating loans, providing refinancing options, support and knowledge, substantial reach for maximum benefit; connect centres near home for non-farm sector entrepreneurship. A nation is said to truly progressive only when it has an equitable society; hence Stand Up India Scheme has renounced a revolutionary among the weaker section of the society.

**KEYWORDS:** women, Stand Up India Scheme, entrepreneurship, society.

### INTRODUCTION

Come 16 January 2016, PM Modi will reveal the target and approach of his most recent activity ‘Start-up India, Stand-up India’, which is gone for advancing advancement as a way to advance business that will prompt occupation creation. PM Modi originally talked about his thought amid the Independence Day discourse at Red Fort recently and ordered the Department of Industrial Policy and Promotion (DIPP) to start exchange with different partners and set up the strategy system to drive the activity. In his last speech of delivery to the nation on ‘Mann kiBaat’, his Radio syndicated program, Modi re-iterated his administrative expectation to offer catalyst to the inventive and imaginative soul amongst youth segment and build a government supported economical position to improve this potential. The Hon’ble Prime Minister, Shri. Narendra Modi in his Independence Day address on August 15, 2015 unveiled his game changer campaign "Start-Up India" Stand-Up India to promote entrepreneurship at grass root level for economic empowerment and job creation. The Stand-Up India Scheme launched to coordinate with the celebration of the 125th birth anniversary of Dr. BabasahebBhimraoAmbedkar, looks to use the institutional credit structure to connect with the underserved area of individuals, for example, scheduled caste, scheduled tribe and women entrepreneurs so as to enable them to participate in the economic growth of the nation. The plan will profit atleast 2.5 lakh borrowers through 1.25 lakh bank office

arrange situated the nation over. The goal of the Stand-Up India Scheme is to encourage bank advances between 10 lakh to 100 lakh to atleast one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and atleast one Woman borrower for each bank office of all planned business banks for setting up a Greenfield endeavor. The Stand up India gateway gives an advanced stage of view in 3 columns to help endeavors advancement among business people from SC, ST and women class through-

1. Handholding support
2. Providing Information on financing
3. Credit Guarantee.

Potential business visionaries can explore through the intuitive entrance for help administrations, for example, preparing, ability advancement programs, mentorship and direction and so on or enroll for advances by getting to the entry. The gateway additionally gives critical connects to Central and State SC/ST Corporations, Industry Associations of SC/ST or potentially Women business visionaries.

#### **IMPORTANT FACTS ABOUT STANDUP INDIA SCHEME**

- PM Narendra Modi dispatches the logo of this scheme.
- The plan serves the business enterprise among women and SC&ST group of people.
- E-rickshaws will be given to those individuals who have not possessed rickshaws. The recipients of this plan will be poor people.
- “Ola “adds e-rickshaw bookings on its platform, launched by PM Narendra Modi.
- The scheme is aimed to promote entrepreneurship among Scheduled Castes, Schedule Tribes and women and will involve loans ranging from Rs. 10 lakh to Rs. 1 crore. The plan involves a composite loan of between Rs. 10 lakh and Rs. 100 lakh for starting up any new venture in India.
- A total of 5,100 Ola e-rickshaws will be launched in partnership with Bhartiya Micro Credit (BMC) at the event and will be deployed across Delhi, Gurgaon, Noida, Faridabad and Ghaziabad.
- On Occasion of BabuJagjivan Ram 108<sup>th</sup> birth commemoration 'Stand up India' is being propelled.

#### **REVIEW OF LITERATURE**

The objective of the Stand-Up India scheme is to facilitate bank loans between 10 lakh and 1 Crore to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and something like one women borrower for every bank office for setting up a Greenfield endeavor. The enterprise may be in different sectors like manufacturing, trading or service. The eligibility criteria of the scheme-

- SC/ST and/or woman entrepreneurs, above the age of 18 years.
- Loans under the scheme are available for only green field project.
- The term Green field signifies that starting the new venture in the sectors of manufacturing or services or trading.

- In the event of non-singular undertakings somewhere around 51% of the shareholding and controlling stake ought to be held by either a SC/ST or women business person.
- Borrower ought not to be in default to any bank/money related establishment.

Composite advance (comprehensive of term advance and working capital) between 10 lakh and upto 100 lakh. For setting up another venture in assembling, exchanging or benefits division by SC/ST/Women business visionary. Composite credit of 75% of the venture cost comprehensive of term advance and working capital. The stipulation of the credit being required to cover 75% of the venture cost would not make a difference if the borrower's commitment alongside assembly bolster from some other plans surpasses 25% of the task cost. The rate of premium would be most minimal pertinent rate of the bank for that classification (rating classification) not to surpass (base rate (MCLR) + 3%+ tenor premium).

Other than essential security, the advance might be anchored by insurance security or certification of Credit Guarantee Fund Scheme for Stand-Up India Loans (CGFSIL) as chosen by the banks.

The credit is repayable in 7 years with a most extreme ban time of year and a half.

For withdrawal of Working capital upto 10 lakh, the same might be authorized by method for overdraft. Rupay charge card to be issued for comfort of the borrower. Working capital farthest point over 10 lakh to be endorsed by method for Cash Credit restrain. The Scheme imagines 25% edge cash which can be furnished in union with qualified Central/State plans. While such plans can be drawn upon for benefiting allowable appropriations or for meeting edge cash necessities, in all cases, the borrower will be required to acquire least of 10% of the venture cost as claim commitment.

### **OBJECTIVES OF THE STUDY**

The study has been geared to achieve the following objectives

- a) To understand the concept of Stand-Ups in India
- b) To find out the opportunities that exist for women entrepreneurs
- c) To find out the factors that influence women to start up a new business

### **STATEMENT OF THE PROBLEM**

The poor people still depend on informal credit systems and Self Help Groups (SHG) to get finance for economic activities. Many of the economic activities run by a number of SHGs are not economically viable and do not expand due to lack of adequate financial as well as facilitation support to make the units viable. There should be new trades and innovations with use of modern technology and that should be suit the market needs. Though it has been told in the policies that women and SC and ST entrepreneurs will be promoted but this has not been reflected in the implementation process of the Government departments and financial institutions operating in the State.

## RESEARCH METHODOLOGY

The present empirical study is based on the distribution of the primary data obtained from the distribution of structured questionnaires among 50 women respondents. The secondary data sourced from questionnaires and various reports, journals, magazines, articles and the websites available.

## DEMOGRAPHICS OF THE SAMPLE

The structured questionnaires were administered to a total number of 50 women respondents in Chennai. Most of the respondents are from the age group 21 to 25 years (48 percent) and followed by the age group of 35 years (28 percent). While, 64 percent are unmarried and 36 percent are married. The survey shows that majority of the sample respondents (30.6 percent) are degree holders, (26.3 percent) are postgraduates, (16.4 percent) had completed only school education, (14.0 percent) are diploma holders, and (12.6 percent) are school dropouts.

The most of the sample respondents (28.8 percent) are employed in either private and government organizations, (15.1 percent) are students, (13.7 percent) are business men, (12.4 percent) are self- employed, (11.4 percent) are house wives, (11.3 percent) are professionals and remaining (7.4 percent) are retired persons. The majority of the sample respondents 42 percent have a moderate monthly income of above one lakh, 30 percent have income level of Rs. 50000 to Rs. 100000 and 16 percent respondents with below Rs. 25000 of monthly income followed by 12 percent of monthly income Rs. 25000 to Rs. 50000.

## DESCRIPTIVE STATISTICS

The descriptive statistics such as Mean ( $\mu$ ) and Standard Deviation ( $\sigma$ ) were computed to determine the nature of the research variables in response to users' perceived value on the Stand Up India Scheme offered by government of India. Table.1 indicates set of reasons based on which women desire to start a new business. The majority of women respondents think for more career development and more exposure (mean score- .56) to start a new a business. Followed by other significant reasons like more desire to earn money (mean score- .52), to implement own business idea (mean score-.52) and independence in working (mean score -.40).

Table. 2 indicates Sector wise Preference to start new business. The majority of the women respondents think that they avail more opportunities in service industry (mean score- 1.86), followed by trading industry (mean score - 1.68) and the least in manufacturing industry (mean score – 1.12).

Table 3 indicates the factors that influence to start up a new business. Majority of the respondents get influenced by family and friends who is ranked 1 among the different factors. Educational background and family income which is ranked 2.5 play equal role in influencing women to start a new business. Other factors like society ranked 4, government ranked 5 and environmental conditions ranked 6 might also influence. The least factor which influences women is caste and religion ranked 8.

**TABLE 1-** Mean and Standard Deviation on the reasons to start a new business.

REASONS	MEAN	STANDARD DEVIATION
Desire to earn more money	.52	.505
More carrier development and more exposure	.56	.501
To implement own business ideas	.52	.505
To invest idle funds in own business	.28	.454
Independence in working	.40	.495
To take care of family and children along with having own business	.00	.000

**TABLE 2-** Mean and Standard Deviation of Sector wise Preference to start new business

SECTORS	MEAN	STANDARD DEVIATION
Manufacturing Industry	1.12	.659
Trading Industry	1.68	1.019
Service Industry	1.86	1.229

**TABLE 3 –** Rank Analysis of the factors influencing women start new business

FACTORS	MEAN	STANDARD DEVIATION	RANK ANALYSIS
Caste or Religion	2.44	1.146	7
Educational background	3.84	.618	2.5
Environmental conditions	3.50	.886	6
Family and Friends	3.92	.752	1
Family Income	3.84	.584	2.5
Government Policies	3.54	.930	5
Society	3.76	1.001	4

**MANAGERIAL IMPLICATION AND CONCLUSION**

While undertaking the present study it became evident there is very little known about women and their views on entrepreneurship. Therefore, there is a need to gain more knowledge about the young educated women and their views on entrepreneurship. However, different women have different attitudes towards self-employment because of many different factors influence women perception to start their own small business.

Thus this study tries to prove that Government has initiated this Stand up India scheme but women in particular are not aware or not having the basic idea and freedom to become successful entrepreneurs of today’s world. Hence Women and the SC &ST

section of the society must take this scheme as an opportunity and strive hard to become the more eligible and flourishing.

This study basically analyzed the various opportunities provided and available to the backward section of the society and also the impact it has on the business environment, thus women can make a change using this as a chance which will in turn take a way to improve and flourish the Business environment.

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