

**PROMOTIONAL INSTITUTIONS, SCHEMES AND GOVERNMENT
POLICY FOR WOMEN ENTREPRENEURS**

4.1 INTRODUCTION

Government support is a prerequisite for development of entrepreneurship among women. Government of India is promoting this cause through various schemes such as Technical Assistance, Supply of Machinery and Equipment, etc. The Department of Small-Scale Industries and Agro and Rural industries was created in 1991, in the Ministry of Industry to exclusively formulate the policy framework for promoting and developing small-scale industries in the country. The ministry of Small Scale Industries and Agro and Rural Industries was bifurcated into two separate Ministries namely, Ministry of Small Scale Industries and Ministry of Agriculture and Rural Industries in September, 2001.

Through these institutions, Government of India is providing adequate credit facility and funds for modernization, modern management practices, advanced training facilities, marketing assistance etc. at par with the facilities available to the larger industries. Implementation of various policies and programs for providing infrastructure and support services to small enterprises is undertaken through its attached departments such as Small Industries Development Organization (SIDO), statutory bodies and other organizations such as Khadi and Village Industries Commission (KVIC), COIR Board; a public sector undertaking, National Small Industries Corporation (NSIC), training institutes such as National Institute of Small Industry Extension Training (NISIET) Hyderabad, National Institute for Entrepreneurship (NIE) Guwahati and National Institute for Entrepreneurship and Small Business Development (NIESBD), New Delhi.

Responding to the increasing trend of women opting for entrepreneurship, many organizations have come up with the idea of special training for women interested in setting up their own enterprise. Government has laid special emphasis on the need for conducting special entrepreneurial training programs for women to enable them to start their own ventures. For

women various development programmes have been implemented by the Government. Following are the major Government agencies/organizations that assist women entrepreneurs in the SME sector in India and in Gujarat.

I collect information from different books, booklets, journals, institution brochure and from different websites for this chapter.

4.2 PROMOTIONAL INSTITUTIONS

4.2 A National Level Institutions (Agencies)

4.2 A.1. Ministry of SSI: The ministry of SSI is the nodal agency assisting the promotion and growth of small scale industries. Various policies and programs are implemented for providing infrastructure and support services to small enterprises through the Small Industries Development Organization (SIDO) and the National Small Industries Corporation Ltd. (NSIC), a public sector undertaking under the ministry.

4.2 A.2. Small Scale Industries Board: The SSI Board is the apex non-statutory advisory body constituted by the Government of India providing a forum for its members for interaction to facilitate co-operation and inter-institutional linkages. They also play advisory role for the government on various policy matters for the development of the sector.

4.2 A.3. Small Industry Development Organization (SIDO): SIDO established in 1954. It formulating, coordinating, implementing and monitoring policies and programmes for the promotion and development of the small-scale industries in the country.

The activities of SIDO relate to modern small scale industries' sector excluding those which fall within the purview of specialized Boards such as Khadi and Village Industries Commission, All India Handloom, Handicrafts, Sericulture and Coir Boards.

The SIDO functions through Small Industries Service Institute (SISI), Extension Centre, Regional Testing Centre (RTC), Tool Rooms and Training centre and Production Centre.

The SIDO has 5 allied institutions namely National Small Industries Corporation, Central Institute Of Tool Design, Institute for Design of Electrical Measuring Instruments and Small Industry Extension Training Institute.

4.2 A.4 Small Industries Service Institutes (SISIs.): The SISIs provide services such as technical consultancy, training, testing marketing, economic information service including common facility service and advisory service. It also performs job works.

Necessary assistance is being given to all women entrepreneurs who are interested in starting Small Scale Industries (SSI). This institute is the principal technical and business consultants to the SSIs and they have done creditable work in the development of SSIs. The Institute is placing great emphasis for creating entrepreneurs in the weaker section and the women of our country.

4.2 A.5 Regional Training Centers (RTCs): Regional Training Centers have been set up in four metropolitan cities viz. New Delhi, Mumbai, Calcutta and Chennai for providing technical consultancy and testing facilities. RTCs also have eight field testing stations for providing testing services to SSI units.

4.2 A.6 National Small Industries Corporation (NSIC) Ltd.: NSIC was established in 1955 by the Government of India to promote, aid and foster the growth of small-scale industries in the country through a blend of promotional and commercial activities. Among other things, it underwrites and guarantees loan from banks and similar institutions to small-scale units.

The corporation provides industrial finance by way of supply of machines on hire purchases to small industrial units all over the country. Presently, in India under its Marketing Assistance Programmes, the Corporation envisages not only large markets for the products of small scale industries, but also ensures availability of certain scarce indigenous as well as important raw materials and inculcation of quality control consciousness.

The NSIC through its network of SISI and Branch Institute and Extension Centers has been motivating women entrepreneurs to take up small industries of their own. Technical assistance and guidance is being provided to them on type of products and activities which could be taken up by them for gainful employment. A number of project profiles have been prepared suiting the requirements of women entrepreneurs. In addition, the entrepreneurial development training courses are being conducted exclusively for women entrepreneurs' normally covering duration of one months.

4.2 A.7 National Institute of Small Industry Extension Training (NISIET): NISIET was set up as apex institute in 1960 by the Government of India with the charter of assisting in the promotion, development and modernization of small and medium enterprises (SMEs) in the country, mainly by creating a pro-business environment that would enable SMEs to progress towards success and prosperity.

The institute provides consultancy, training, research and education for retaining the competitive edge of SMEs in ever-changing markets. NISIET trains entrepreneurs, managers and various functionaries of the Government through its various training programmes. NISIET also undertakes research and consultancy activities for small-scale industries.

4.2 A.8 National Institute for Entrepreneurship and Small Business Development (NIESBUD): NIESBUD was established in 1983 by Ministry of Industry, Government of India, as an apex body for coordinating entrepreneurship and small business development activities in India.

The institute is also the Secretariat for the National Entrepreneurship Development Board, the apex body which determines policy for entrepreneurship development in the country. The Institute organises Post-Graduates Diploma in Entrepreneurship (PGDE). The Institute offers support and guidance in establishing EDP institutions at the state or even at lower level.

The Institute occasionally organizes National as well as International meets for sharing experience with the purpose to improve and modify their efforts to ensure greater success in implementing the programme for entrepreneurship development , organizes workshops and seminars on current topics.

4.2 A.9 National Research Development Corporation of India: The NRDCI is a Government of India enterprise, established in December, 1953 as a non-profit organization under the Companies Act, 1956. It has been specially created to develop and exploit indigeneous - know-how, inventions, patents and processes emanating from all types of R & D institutions in the country.

It is realizing that economic independence of women would accelerate their improvement in the status of women. NRDCI is also promoting technologies, which are appropriate for women.

The corporation has brought out a publication which serves as a ready reference for women entrepreneurs and voluntary agencies working for the upliftment of women in India.

4.2 A.10 Khadi and Village Industries Commission: Khadi and Village Industries Commission created by an act of Parliament , is a statutory organization engaged in promoting and developing Khadi and Village industries for providing employment opportunities in the rural areas and thereby strengthening the rural economy.

4.2 A.11 National Scheduled Caste and Scheduled Tribe Finance and Development Corporation (NSFDC): This is the national corporation established by the Government of India for the economic upliftment of the people who belong to scheduled caste and scheduled tribes. Any viable project is eligible and can get assistance of 60/65 % loan with the interest of 4% annually. 20% of the project cost is contributed by Gujarat Scheduled Caste Development Corporation Ltd. and remaining 15% is contributed by the any beneficiaries included women entrepreneurs.

4.2B State Level Institutes (Agencies): Gujarat is the first state which realized the importance of the need of entrepreneurial development centre in the state. Gujarat Government has played a pioneering role in the promotion of entrepreneurship development programme in the country.

Following are the some important institutes/agencies which are playing their crucial role in the development of entrepreneurship among the peoples of the Gujarat State.

4.2 B.1 Directorate of Industries: The Directorate of Industries is the executive agency for the promotion and development of the village and small industries sector. It acts under the overall guidance of SIDO. Its functions are of both regulatory and development in nature. The Directorate of Industries has a network of District Industries Centers (DIC) at the district level, industrial officers at the sub-divisional level and extension officers at the block level functioning under its control.

4.2 B.2 District Industries Centre (DIC): DICs play a vital role in promoting industries at the District level. DICs provide necessary project assistance for the prospective entrepreneurs. The services being rendered by the DICs include, identification of prospective entrepreneurs to take up viable projects, issue of SSI registration certificates, maintenance of SSI database, recommendation of technical feasibility reports to various financial institutions, allotment of industrial land in industrial development areas, development plots, industrial estates, mini industrial estates etc. arrangement of entrepreneurship development training , recommendation of various incentives as per the industrial policy of the State Government.

This programme launched in May 1978, was designed to provide such a broad framework in all over the country. The DICs work in close collaboration with the organizations concerned with the development of the rural economy as a whole including IRDP, TRYCEM, NREP, JRY and PMRY.

There were 430 centrally approved DICs, which covered almost all the districts of the country (except the metropolitan cities) at the time of the withdrawal of the Central sponsorship in 1993-94. At present, DICs operate under respective State budgetary provisions.

DICs extend services are of the following nature:

- Economic investigation of local resources
- Supply of machinery and equipment
- Provision of raw material
- Arrangement for credit facilities
- Marketing
- Quality inputs
- Consultancy and extension services.

4.2 B.3 The Centre For Entrepreneurship Development: This is the centre, started in May 1979 as an independent body, sponsored by the Government of Gujarat, with the help of joint collaboration of the four state level institutions GIDC, GIIC, GSFC and GSIC. The main objectives of CED are to promote indigeneous entrepreneurship, to conduct EDP in the state, help other state level agencies in the promotion of EDPs. To guide the Central Government and other concerned authorities on the matters and policies regarding entrepreneurship development in the country and also encourage innovative policies and programmes in entrepreneurship formation. CED renders valuable service in the identification and training of new entrepreneurs and provides infra-structural facilities for the promotion of sound base for entrepreneurship.

The CED has a firm belief that the Entrepreneurs are not born, but can be developed. The CED firmly stands for the efficient and skillful promotion of entrepreneurship in the country. It calls for the innovative approaches in every field of entrepreneurship development such as efficient training, successful trainees or entrepreneurs and skilled trainers. It also sincerely given support to all the successful entrepreneurs to set up their own small scale ventures in the state as well as in other regions of the country.

The Programme: The CED empowering youth through skill and entrepreneurship to develop entrepreneurs in the state at urban and rural areas the CED conducts different programme as below.

- I. **Entrepreneurship Development Programmes (EDPs):** The prime object is to conduct entrepreneurship training programme Module-1(4 weeks) and Module-2(2 weeks) for

first generation prospective entrepreneurs. A worker, servicemen, women, unemployed youth can join with no bar of education and experience. The preference is given to graduate, ITI, Diploma Holder, who has a burning desire to start his own venture and is ready to work hard. In EDP training, the area covered are Product Guidance, Information Sources, Market Survey, Managerial Inputs, Project Report Preparation, Counseling, Achievement Motivation and Post Training Supportive Assistance.

- II. **Entrepreneurship Awareness Programme (EAP):** CED conducts Entrepreneurship Awareness Programme (EAP) for the final year students of ITI, Polytechnic, Engineering, Pharmacy, Ayurvedic, Science, Arts, Commerce colleges, Management Institutes to create Entrepreneurial Awareness. It will inculcate the Entrepreneurial culture and environment in the state. The students may opt for Entrepreneurial career, rather than searching a job. The EAP is of one or two days as per the requirement of the group.
- III. **Programme for Existing Entrepreneurs (Second Generation Programme):** CED conducts training programme for existing entrepreneurs to solve their management problems in the area of Technology Up-gradation, Product Diversification, Quality Marks, National and International strategies against W.T.O., International Market and Export Procedures. CED is organizing seminar/workshop, need based programme for the existing industrialists in collaboration with Research Institutions and field experts.
- IV. **Human Resource Development (HRD):** It is for Academic, Industrial and Business group participants to excel in their work performance and aptitude. This leads to strengthen the employee and employer relationship. Important Behavioral aspects like Motivation, Communication Skills, Problem Solving Aptitude, Creativity and Stress Management are being covered in this module.
- V. **Special EDPS:** The programme consist of technical skill development training like Mobile Repairing, Computer Hardware and Repairing, Computer Accounting Management, Artificial Gems & Jewellery Ornaments Making, Garment & Textile, with entrepreneurship development inputs being imparted as their need with the help of local technical institute and field experts.
- VI. **Industry Responsive Skill Development:** The State Government has evolved a scheme Enhancement of Technical Competency & Skill Manpower Development GR No. CED-

112007-2081(1)- 1, dt.23-08-2010. CED has been assigned to promote and implement the said scheme with active participation of industries.

- VII. **Rajiv Gandhi Udyami Mitra Yojna (RGUMY):** Industries Commissionerate of Gujarat has appointed CED as an implementing agency for RGUMY scheme.
- VIII. **Cluster Development:** CED is implementing agency of cluster development. CED has been appointed as monitoring as well as implementing agency in Foundry and Gems & Jewellery under cluster development programme of Govt. of Gujarat & Govt. of India.

4.2 B.4 State Small Industries Development Corporations (SSIDCs): The SSIDCs were established under the Companies Act, 1956 as State Government undertaking with the specific objective of promoting and developing small, tiny and village industries in the States/Union Territories, which, in turn, stimulate self-employment opportunities. The important functions/activities of SSIDCs include procurement and distribution of raw materials, supply of machinery on hire-purchase basis, assistance to SSI units for marketing their products, construction/ up-gradation of basic infrastructure facilities in industrial estates/sheds, extending seed capital assistance on behalf of the respective State Government and organizing training programmes for unemployed youth.

Gujarat Small Industries Corporation: To develop and assist the SSI units in Gujarat State, GSIC is specially established by the State Government of Gujarat. It is working to assist small scale units in arranging imports of various raw-materials against their import licenses. GSIC Ltd. operates an Import Assistance Scheme under which the corporation provides financial as well as warehousing facilities to the SSI units.

4.2 B.5 State Industrial Development Corporation / State Industrial Investment Corporation (SIDC/SIIC): The SIDCs were established under the Companies Act, 1956, as wholly-owned undertakings of the respective State Government with the specific objective of promoting and developing medium and large-scale industries in their respective States/Union Territories. These institutions act as catalysts to industrial growth. The SIDCs extend financial assistance in the form of rupee loans, underwriting and direct subscription to shares/debentures, guarantees, inter-corporate deposits, and also open letters of credit on behalf of their borrowers. The SIDCs also undertake a range of promotional activities, including preparation of feasibility reports, conducting industrial potential surveys, entrepreneurship development programmes and developing industrial areas/estates. The SIDCs, as nodal agencies of State Government, also

manage and operate State incentive schemes. Further, some SIDCs act as nodal agencies for NRI investment and Foreign Direct Investment in their respective States.

Gujarat Industrial Development Corporation: GIDC has been set up by the state government in the year of 1961. GIDC provides industrial infrastructure facilities in the industrial estates developed by them. The facilities offered by GIDC are in the form of readymade factory sheds and/or developed plots together with infrastructural facilities like road, power supply, drainage, telephone etc. and other amenities like housing, godowns, dispensaries, canteens etc. GIDC considers to accord priority of allotment of industrial plots, sheds in its estates to the women entrepreneurs, new entrepreneurs, export oriented units, ex-servicemen and land losers entrepreneurs.

Gujarat Industrial Investment Corporation Ltd.: The GIIC Ltd. has been set up by the Government of Gujarat to provide necessary industrial investment in the state. In the case of assistance to large and medium scale industries GIIC fills the investment gap when the term finance needs exceeds Rs. 60lac by providing term loan up to another Rs. 90lac. The Medium and large scale projects costing between Rs. 50 and Rs. 300lac and whose net worth does not exceed Rs. 500lac. Are normally eligible for available of assistance as well as expansion and diversification of existing units can obtain term loan or other type of assistance viz., subscription of equity, underwriting of shares etc. from GIIC.

GIIC identifies, selects and obtains various permissions from Government of India to promote such projects which are of vital importance to the state and national economy from the point of view of exploring local mineral or agricultural resources, bringing rare foreign technology to the country, basis or core sector industries involving very high financial resources etc. Entrepreneurs with adequate financial resources technical know-how and marginal expertise are invited to join in promoting such joint sector projects.

4.2 B.6 Industrial Extension Bureau: State Corporations and State Industries Administration have set up a live-wire-single-point-contact as Industrial Extension Bureau popularly known as INDEXTB.

The Bureau is assigned with the role of catering of various information needs, assistance for filings up various application forms for registration, financial assistance, import of capital goods etc. and subsequent follow up with the concerned authorities for expeditious clearances.

4.2 B.7 Gujarat Industrial And Technical Consultancy Organization Ltd (GITCO): GITCO was set up in 1978 to render consultancy services to new and existing enterprises, financial institutions and State and Central Government.

GITCO is also registered as a Consultancy Organization with Asian Development Bank (ADB). Its Clientele includes State and Central Govt. Departments, Institutions, Corporations, Banks, Private Sector Companies (Large, Medium & Small Scale), NGOs, Chartered Accountants, Individual enterprises, etc. from within and outside the state and country.

All India Institutions like ICICI Bank Ltd., IDBI, IFCI, State Corporations like GIIC, GSFC, GMDC, GSIC, GSEC and Banks like SBI, BOB, Dena Bank, Central Bank of India, Bank of India and Union Bank of India are the GITCO's promoters.

Special studies and Assessment reports for Government Department, Environmental studies for State Authority, Appraisals for financial institutions and such other consultancy assignments are undertaken by GITCO. The support of financial institutions both at the central level as well as in the state enables the organization to undertake wide spectrum of activities aimed at providing Management, Technical, Financial and Implementation Consultancy for new enterprises as well as operating units.

GITCO Consultancy Services for New Enterprises:

- a) Project opportunity identification studies.
- b) Project profiles and desk based market analysis reports.
- c) Techno-economic feasibility studies and detailed project reports.
- d) Detailed national and state-level market studies.
- e) Identification of technology, evaluation and absorption of technology.
- f) Project appraisals for term/working capital finance.
- g) Project finance tie-up/closure.

GITCO Consultancy Services for Existing Enterprises:

- a) Management consultancy services through retainer monitoring and for organizational growth plans.
- b) Valuation reports for fixed assets and stocks of industrial projects/commercial establishments.
- c) Project appraisals for availing incentives under the state and central government schemes.
- d) Viability studies for sick units under GBIFR/BIFR schemes.

- e) Infrastructure projects- feasibility studies and implementation services.
- f) Preliminary/detailed Energy Audit Studies for conservation of energy. GITCO is an approved energy audit consultant by Industrial Development Bank of India and Gujarat Energy Development Agency.

Current Services:

- a) Tourist Flow Information System (TFIS) for Tourism Corporation of Gujarat Ltd (TCGL), Gandhinagar
- b) Cluster Study of Medical Devices Industry
- c) Third Party Inspection (TPI) for GGRC, GMDC and GAIC
- d) Bio-gas Scheme Evaluation Study and Bio-gas Plant Inspection for GAIC
- e) Project Appraisals on behalf of Banks
- f) Environment Audit for Medium and Large Enterprises.

Resources and Infrastructure: The organization's most important resource is its manpower. It has a strong team of 36 dedicated employees of which 20 are highly qualified and experienced technical/ management/ finance specialists. GITCO team of professionals is in a position to meet Consultancy needs of diverse industry disciplines: Engineering/ Chemical/ Plastic/ Pharmaceutical/ Environment/ Textile/ Information Technology/Food and Agro-processing etc. The company has, to support its in-house professional manpower, a panel of over 50 external experts specializing in core technical and managerial areas.

Since inception the company has rendered consultancy services in different areas to more than 5500 entrepreneurs, companies and institutional clients. Amongst company's list of clients, there are number of large scale companies, leading industry groups, specialty product manufacturing organizations and prestigious institutions.

4.2 B.8 Gujarat State Financial Corporation: Gujarat State Financial Corporation (GSFC) is a pioneer term lending development financial institution in the State of Gujarat. It is created under the State Financial Corporation Act, 1951 passed by Parliament. GSFC's mandate is to provide finance to small and medium scale enterprises. Formed in 1960, GSFC has sanctioned loans and advances of over Rs.4400crores; out of which, it has disbursed over Rs.3300crores to 47,000 units in the state. This has created almost 683000 jobs in Gujarat. The Corporation has played a stellar role in creating new and first time entrepreneurs, has provided much needed finance to

small and medium sale enterprises and has played a significant role in the industrial development and economic growth of Gujarat.

GSFC incorporated on 1st May, 1961. Its main object is to provide financial assistance to small and medium scale new/existing industrial and service sector units all over Gujarat for acquisition of fixed assets, preliminary and pre-operative expenses, expansion, modernization, diversification etc.

GSFC has played an important role in the industrial development of the state. Till date, it has financed 47,331 units and disbursed Rs. 3,300crore, generating employment for over 600,000 persons. Many units financed by it are now well established and have also graduated from small to medium and large scale.

Since the last few years, Corporation is passing through financially difficult times. Due to very heavy NPA and as commercial banks are now performing similar activity has stopped advancing fresh loans since October 2001.

Currently, it is engaged in the activity of recovering dues from its borrowers and paying its lenders. One Time Settlement schemes have been introduced to expedite recovery. Cost cutting exercise has been implemented to reduce manpower by deputing staff to various Government departments and by implementing VRS. Government has formed a high-powered committee under Chief Secretary to decide on the future of GSFC. Committee has decided to offer VRS to employees have OTS scheme and restructure the organization.

4.2 B.9 Gujarat Women Economic Development Corporation Ltd (GWEDC): The emergence of Gujarat Women Economic Development Corporation Limited, as a distinct entity reflects shift in focus from the welfare concept to the development concept brought about as a result of change in thought related to development of women. The recommendations made in the international Women's Year 1975 and the developments at the Central and State Government in subsequent years, contributed to the setting up of Gujarat Women's Economic Development Corporation Limited in 1981. It was first set up as a registered society and subsequently converted into a Public Limited under the Companies Act 1956, in January 1989.

Objectives: The Corporation was envisaged as a catalyst in promoting the cause of women in various socio-economic spheres of activity. The Corporation was intended to promote women in areas hitherto dominated by men. The Corporation was expected to provide technical support, training, financial assistance and counseling to individual women and groups of women, and in

turn enabling them to improve their socio-economic status. The main objectives of the Corporation as stated in the Memorandum of Association of the Corporation are:

- To promote activities for the welfare, upliftment and advancement of women.
- To promote literacy, talent, skill, know how, enterprise, spirit of entrepreneurship and business acumen among women.
- To identify trade, occupation and industries which can be taken up by women and to train them for such trades, occupation and industries and to formulate and device employment schemes with a view to generate self employment for them.
- To provide financial assistance to women by way of cash credit, margin money and/or subsidy facilities individually or through the medium of cooperative societies, associations of persons, bodies of individuals or firms:
- To undertake all types of activities in trade, commerce, business and industries generally to provide employment opportunities for women.
- To bulk purchase raw materials, machineries, equipments, spareparts, tools and implements for supplying to self employed women and women entrepreneurs at reasonable rates and also to understand and organize marketing activities for sale and distribution of products manufactured by them and services rendered by women entrepreneurs.

Schemes-Projects undertaken by The GWEDC: GWEDC Ltd. is running various schemes for different cast, class or creed of women. The main schemes undertaken by the Corporation are as under.

Training Scheme: Training classes are arranged in cooperation with Voluntary Organizations, so as to impart training for Traditional Cottage Industry, Vocational/Professional, Technical and skill Training to all needy women. Training class are run at different time /place convenient to women. Training classes are approved taking into consideration the opportunities for employment or self-employment based on the region. There are more than 25 trades under which training is imparted through ITI Government Department.

Bankable Scheme (Ghar Diwada): The scheme is operational since January 1996, under which, the Corporation recommends and sponsors the loan application of women living below poverty line, to local Banks, to start small enterprises. The maximum loan amount sanctioned is up to Rs.

50,000/. The beneficiaries are provided subsidy on the loan amount. Women of families living below poverty line, with an annual income of Rs. 36000/ are eligible for this scheme.

Shibir, Seminar and Exhibition: In order to create general awareness related to women issues and give schematic information on various Government Programmes/Schemes aiming towards social and economic development of women, the Corporation organizes Shibir and Seminars. The Corporation also organizes Exhibition cum Sale within and outside the State and provides facilities to market the items produced by women/ women organizations at a minimum cost. This gives them an opportunity to sell their products and also book bulk orders which are supplied later. This enables the women in establishing a long term clientele. The Corporation charges a token fee towards incidental expenses.

4.2 B.10 Women Empowerment Corporation: Women Empowerment Corporation facilitates the various range of micro financial products and facilities to its trained social entrepreneur in various areas of unorganized sectors where they are working. WEC promoters are the key functionaries for the beneficiaries for all the help.

Area Selection: Select the area of unorganized women /people where a WEC-promoter conducts a comprehensive survey to evaluate the local condition and potential for operation. The key factors in the survey include the total population, poverty level, cast-religion factors, law & order etc. Based on survey report a group meeting with entire unorganized sector's women/people and introduce, discuss about WEC mission, vision, methodology, service etc. to identify the beneficiaries.

- Formation of SAKHI-MANDAL (SHG):
- Fill up the admission form of beneficiaries.
- Form a group of likeminded, same field, aged between 18 to 55, not related, must close and peer to one another to serve as guarantor of each other.
- Select a leader from them.
- Register as "SAKHI-MANDAL" with WEC.
- Open an individual account with WEC for saving and micro-credit to create the saving habit among them.

Group Training: After the formation of sakhi-mandal (SHG) compulsory group training is required as per the requirement of the corporation. In the training, beneficiaries will be trained in various aspects of finance, micro-credit, psycho-sociology, human resource development,

morality precepts based on PANCHSHEELA(five precepts) etc. and recognized them as UPASIKA or UPASAKA in the long run to know as Social Business Entrepreneur (SBE).

Microfinance: Once sakhi-mandal(SHG) is formed and completes the training, micro-credit to individual/group procedure can be started with the help of WEC-promoter and WEC-field staff. Sakhi-mandal is responsible for regular and weekly meeting along with WEC-promoter and for financial literacy and credit discipline.

Table-4.1 Micro- credit products:

Products	Purpose/Amount	Terms
Samyak Ajivika Laghu Dhiran (Perfect livelihood generating Micro-credit)	For the existing and new income generating activities Maximum Rs. 10,000 for the first loan cycle.	One Year
Parivar Samruddhi Laghu Dhiran (Family Strengthening Micro-credit)	For the strengthening of family Maximum Rs. 5000 for the first loan cycle.	One Year
Emergency Loan	For emergency Maximum Rs. 2000	Six Months

Source: www.wecindia.org/aboutus.html#1

Samyak Ajivika Laghu Dhiran

- For the existing and new micro enterprise
- Maximum Micro-credit will be Rs. 10,000 for the first loan cycle
- This product is aimed to enhance the present income of existing or new micro-enterprise
- This product is targeted at WEC's unorganized sectors women entrepreneurs.

Parivar Samruddhi Laghu Dhiran

- For the strengthening of family in various segment like education, health, insurance, house repairing or renovation etc.
- Maximum loan will be Rs. 5000 for the first loan cycle.
- This product is targeted at WEC's unorganized sector family.
- Financial Literacy Awareness Campaign: Providing Micro-credit is not enough but financial literacy awareness is also equally important to empower the clients. In the literacy part WEC teaches various aspect of finance like basic finance, importance of budget, planning cash-flow, breakeven point, rate of interest etc. WEC also teaches how

the clients should utilize all facilities of WEC to come out from vicious circle of money lenders who are taking exorbitant rate of interest and keep them poor.

4.3 SCHEMES

The development of women entrepreneurship has become an important aspect of our economic policy. In order to encourage more and more women enterprises in the MSE sector, several schemes have been formulated by the Ministry and some more are in the process of being finalized, targeted only at the development of women enterprises in India. The following are the important schemes that are made specifically for women or give special benefits to women entrepreneurs. Some important schemes are mention here.

4.3.1 Small Industries Development Bank of India (SIDBI): The bank has a scheme of assistance for women entrepreneurs. The objectives of the bank are to provide training and extension services support to women entrepreneurs according to their skills and socio-economic status and to extend financial assistance on concessional terms to enable them to set up industrial units in the small scale sector. SFCs, SIDCs , Commercial Bank , State Co-operative bank and RRBs are the eligible institutions for the schemes of SIDBI.

All projects in SSI sector promoted and manage. Village and Tiny sector industries are eligible for assistance. The programmes for training, consultancy support and extension services for women entrepreneurs will be organized through designated agencies. Such as Technical Consultancy Organizations, EDII, Central/State Social Welfare Boards, KVIC or other recognized training and management institutes. The SIDBI has two schemes for women entrepreneurs, viz.

4.3. 1.A Mahila Udyam Nidhi Scheme (MUN): This scheme is offered to women entrepreneurs for setting up new projects in tiny/ small scale sector and rehabilitation of viable sick SSI units. Existing tiny and small scale industrial units and service enterprises undertaking expansion, modernization, technology up gradation and diversification are also eligible.

4.3. 1.B Mahila Vikas Nidhi Scheme (MVN): MVN is SIDBI'S specially designed fund for economic development of women, especially the rural poor, by providing them avenues for training and employment opportunities. A judicious mix of loan and grant is extended to accredit NGOs for creation of training and other infrastructural facilities. The basis activity involves

setting up of Training-cum-Production Centre (TPCs) by the assisted NGOs to ensure that women are provided with training and employment opportunities.

Table 4.2 Sources of Funding For Women Entrepreneurs

Financial Institutions	Name of the Schemes
AXIS Bank	Smart Privilege
Bank of India	Priyadarshini Yojana
Canara Bank	CAN Bank
Central Bank of India	Cent Kalyani
Dena Bank	Dena Shakti
ICICI Bank	Women's Account
IDBI Bank	Mahila Vikas Nidhi Scheme
Karur Vysya Bank	KVB Mahila Swarna Loan
NABARD	Women Cell
Oriental Bank of Commerce	Orient Mahila Vikas Yojana
Punjab and Sind Bank	Udyagini Scheme
SIDBI	Mahila Udayam Nidhi
State Bank of India	Stree Sakthi Package
TNIICL	Mahila Udayam Nidhi Scheme
Tamilnadu Mercantile Bank	Mahalir Loan
The Saraswat Cooperative Bank Ltd.	Udyogini
UCO Bank	Nari Sakthi
Union Bank of India	Viklang Mahila Vikas Yojana
United Bank of India Vijaya Bank	United Nari Samman Yojana V. Mangala

Source: Nanda S.K. and Lenka T.K. Editor (2012) "Entrepreneurship: Innovations and Strategy", Himalaya Publishing House Page-208

4.3.2 Industrial Finance Corporation of India (IFCI) Interest Subsidy Scheme: The IFCI has been introduced a Scheme of Interest Subsidy for women entrepreneurs. The main objective of the scheme is to provide incentives to the women having acumen and entrepreneurial traits to contribute their mite in the industrial development of the country so that the avenues of self-development and self-employment are created for them. All industrial projects whether in rural ,

cottage , tiny small medium sector , if set up by women entrepreneurs , on their own , with minimum financial stake of 51 % in the unit , will be covered under the scheme.

4.3.3 Lead Banks' Scheme: The main emphasis is to encourage self-employment to all those who had the technical skill to engage themselves in a productive activity but were unable to do so far lack of finance and infrastructure. There are number of schemes by different banks for providing credit for women entrepreneurship. There is a scheme which has been formulated by some lead banks' to meet the needs of women entrepreneurs mainly engaged in house hold work but want to make use of their spare time and thereby able to supplement family income. Such loan are available to all women above 18 years of age and having fixed place of work and well versed in the activity proposed to be undertaken. The amount of loan in such cases has to be need based but up to a maximum of Rs. 7500. Entrepreneurship Development Programmes for women are also arranged by some lead banks.

4.3.4 State Bank of India Stree Shakti Package: The State Bank of India is a pioneer in financing of small scale industries and other priority sectors. The bank provides assistance to technically qualified, trained and experienced women entrepreneurs to set up new viable industrial projects. This loan scheme provides assistance to technocrats, including those unable to meet the normal margin requirement under the liberalized scheme, to set up viable industrial projects. The applicant must hold a degree/diploma in Engineering/Technology or a degree in Business/Industrial Management/CA/Cost Accountancy with adequate experience.

To make the assistance to women entrepreneurs more effective and ensure a wide coverage, the bank has introduced "Stree Shakti Package" for women only. This involves a financial package aimed at reinforcing the bank's efforts in the area of developing entrepreneurship among women. Concessions in respect of margin and rate of interest have been built into this package. A 5% reduction in margin for all categories of advances and concession in rate of interest varying from 0.5 % to 1.5 % are the two distinct benefits which have been passed to the women entrepreneurs under the package. The bank continues to lay emphasis on encouraging women entrepreneurs.

4.3.5 Entrepreneurship Development Programmes (EDPs): Under these programmes, intensive seminars and campaigns are conducted to identify, select, motivate and cater to the needs of potential women entrepreneurs, who may not have adequate educational background

and skills. SIDO has introduced process/product oriented EDPs in areas like TV repairing, printed circuit boards, leather goods, screen printing etc.

4.3.6 Socio-Economic Programme: The Socio-Economic Programme of the Central Social Welfare Board endeavours to provide employment opportunities on full or part time basis to destitute women, widows, deserted and the physically handicapped, to supplement their meager family income. Besides, women entrepreneurs are encouraged to exhibit and sell their products through Exhibition-cum-Melas organized by State Boards at District level.

4.3.7 Micro Credit Scheme: Micro Credit programme was introduced in the Sixth Plan (1980-85) for the upliftment of rural women through increased access to formal banking services. Loans under this scheme are very small and are targeted to women borrowers. This scheme helps women to organize their own business and production units.

4.3.8 Trade Related Entrepreneurship Assistance and Development Scheme (TREAD): To encourage women in setting up their own ventures, government launched a Scheme, namely, “Trade Related Entrepreneurship Assistance and Development” during the 11th Plan. The scheme envisaged economic empowerment of women through the development of their entrepreneurial skills in non-farm activities. There are three major components of the scheme.

1. GOI grant upto 30% of the total project cost to the Non-Government Organizations (NGOs) for promoting entrepreneurship among women. The remaining 70% of the project cost is financed by the lending agency as loan for undertaking activities as envisaged in the project.
2. GOI grant upto Rs. 1lac per programme to training institutions/NGOs for imparting training to the women entrepreneurs.
3. Need-based GOI grants upto Rs.5lac to National Entrepreneurship Development Institutions and any other institutions of repute for undertaking field surveys, research studies, evaluation studies, designing of training modules etc.

The scheme envisages that Women Associations/NGOs/SHGs should prepare composite bankable proposals for a group of women entrepreneurs, and submitted to the bank, which are signatories to participate in the scheme, namely, Syndicate Bank, State Bank of India, Canara Bank and Allahabad Bank. A copy of the proposal submitted to the bank should be endorsed to DC (MSME). Bank examines the proposal and issues approval. On the basis of the approval

proposal considered by M/o MSME and 30% of the loan amount is sanctioned as grant and made available to the bank.

4.3.9 Swayam Siddha Project: Swayam Siddha (2001) is a new version of INDIRA MAHILA YOJANA which was introduced by GOVERNMENT OF INDIA in the year 1995-1996. It is fully sponsored and financed by the GOVERNMENT OF INDIA. The Ministry launched the scheme of Swayam Sidha in 650 blocks across the country in 2000-2001. INDIRA MAHILA YOJANA was being implemented in 18 blocks; whereas Swayam Siddha is being implemented in 27 blocks.

Objectives: The prime objectives of the project is to enlighten rural women about their status in family, society and prevailing political system and to achieve their over-all development through such women who are having insight and are vigorously fighting for their rights. However, the subsidiary objectives of the project are as follows:

1. To promote the virtues of saving, economizing and self-dependence.
2. To promote clusters/Federation to induct collective strength among the women of SHGs for resolving bottlenecks against their overall development and also to undertake community works.
3. To enlighten women about their exploitation and help them to fight for their rights.
4. To bring changes in social and economical status of rural women to promote self-confidence, self-respect and self-sufficiency among them.
5. To bring them above the poverty line by encouraging them to undertake cottage industries through up gradation of their skill.
6. To educate them to identify their requirements so as to enable them to work as pressure group either individually or collectively.
7. To enable them to participate in planning and policy decision making process at family and community level.

The long term objective of the programme was holistic empowerment of women through a sustained process of mobilization and convergence of all on-going sectoral programmes by improving access of women to micro-credit, economic resources etc. The programme was implemented through the State Governments. Total 69,803 SHGs were formed against a target of 65000 with 10.02 lac beneficiaries. 600 block level federations and 9095 clusters were formed.

56% SHGs have availed of bank loan, 85% are involved in income generation activity etc. The Scheme ended on 31/03/2008.

Strategy: It has been decided to adopt such a strategy wherein the rural women can be motivated to unite under SHG and to give information/knowledge through orientation and trainings so as to enable them to identify their own strength and become competent with self confidence for participating in planning, implementation and monitoring of development activities to achieve the overall development of the society.

Activities: It has been proposed to undertake activities pertaining:

1. To strengthen the voice of women and highlight their demand by uniting them under SHGs.
2. To economize in expenditure of domestic and social ceremonies and cultivate a habit of saving and be helpful in their personal and social development by providing them internal loaning from accumulated saving.
3. To motivate women to constitute clusters covering 10 to 15 SHGs for strengthening and highlighting their demand of creating facilities of services which can solve the problem pertaining to rural mass of more than one village.
4. To help and encourage women in converging with the schemes of different departments along with Bank linkages to overcome the financial hardship for undertaking economic activities.
5. To promote orientation and trainings to increase the participation of women in policy decision making process and planning of various programmes benefitting women of global rural mass.

Community Assets: To provide an amount of Rs. 6 Lac for creating necessary infra structural facilities/services which can provide relief to rural women in discharging their day to day responsibilities and duties without drudgery.

Probable Impact: It has been anticipated to bring following changes in the present scenario due to the awareness likely to be emerged among women due to orientation and training being provided under the Project.

1. Women will come out from their four walls and take initiative in solving personal and community problems.

2. Women will play a definite role in extending benefits to the left out families residing in the villages.
3. Women will prove useful in introducing punctuality and effectiveness in discharging duties among Government employees connected with villages.
4. Women will see that the maximum benefits of services and facilities available under various schemes reach to the most deserving families.

The Swayam Sidha programme proved to be very successful in building the capacity of women SHGs. Swayam Sidha phase II aims to not only mobilization of women into SHGs for income generating activities but also envisages overall holistic empowerment of women on a sustainable manner. It is, therefore, proposed to expand the coverage of the scheme under Swayam Sidha phase II in all blocks in the country. A sum of Rs. 1700.00 crore is proposed for the Swayam Sidha phase II in the XII Plan.

4.3.10 Priyadarshini: The Ministry is administering IFAD assisted pilot project since December 2009 as central sector scheme namely Women's Empowerment and Livelihoods Programme in the Mid Gangetic Plains "Priyadarshini" in 13 Blocks spread over 5 Districts in Uttar Pradesh and 2 Districts in Bihar. The programme aims at holistic empowerment of vulnerable groups of women and adolescent girls in the project area through formation of women's Self HELP Groups and promotion of improved livelihood opportunities. Over 100,000 households are to be covered under the project and 7200 SHGs will be formed during the project period ending 2016-17. The project has been rolled out in the field from April, 2011. An out lay of Rs. 140.00Crore is required for the project for the period 2012-16.

4.3.11 Cent Kalyani: The Central Bank of India offers the Cent Kalyani scheme, aimed at offering financial assistance to women entrepreneurs and women professionals. This scheme offers financial assistance for economic pursuits in industry, agricultural and allied activities, business or profession. The loans are sanctions to,

1. Small business-for entrepreneurs who intend to provide service such as setting up a small lunch/canteen, mobile restaurant, circulating library, etc.
2. Professional and self-employed-entrepreneurs who are specially qualified/skilled and experienced like doctors, chartered accountants, engineers or trained in art or craft, etc.
3. Retail trade- for entrepreneurs who intend to engage in retail trading of various commodities.

4. Village and cottage/tiny industries –for entrepreneurs who are engaged in manufacturing, processing, preservation and services such as handloom, weaving handicraft, food-processing, garment making, etc., in village and small towns with a population not exceeding 50,000 utilizing locally available resources or skills.
5. Small-scale industries- to start a unit engaged in manufacture, processing or preservation of goods.
6. Agriculture & allied activities- for women entrepreneurs who are engaged/intend to engage in agricultural and allied activities, such as raising of crops, fisheries, bee-keeping, nursery, sericulture. Etc., and also trading in agricultural inputs.

Apart from the above schemes, women entrepreneurs are also financed under the various government sponsored programmes where capital subsidies are available.

4.3.12 Dena Shakti: Recently Dena Bank has signed a memorandum of understanding (MOU) with the Ministry of Micro, Small and Medium Enterprises (MSME) in India for operating a programme to encourage and assist women entrepreneurs. The loan amount is up to Rs. 5 lac women entrepreneurs who are professionals. The loan is extended to agriculture & allied activities, small enterprises (direct and indirect finance), micro and small (manufacturing) enterprises, micro and small (service) enterprises which include small road and water transport operators, small business professional, etc. The maximum ceiling limits that can be considered for financing to women beneficiaries under this scheme will be as per the directives of RBI stipulated for various sectors under priority sector such as loans up to Rs. 20lac under retail trade, Rs. 20lac under education and housing and Rs. 50,000 under micro credit as well as bank's specific schemes circulated to branches or offices from time-to-time.

4.3.13 Orient Mahila Vikas Yojana: The Oriental Bank of Commerce has launched Orient Mahila Vikas Yojana scheme for the benefit of women entrepreneurs. The loan amount is offered between Rs. 2 and 10lac with a 2 percent concession in interest. Loans above Rs. 10lac are also offered at 1 percent concession. In case of term loans, the repayment period is up to seven years with a maximum grace period of 12 months depending on the nature of the activity. No collateral security up to Rs. 10lac and in case of SSI no collateral security required up to Rs. 25lac. Only Hypothecation of Assets created out of banks finance is taken as security.

4.3.14 Udyagini Scheme: The Punjab and Sind Bank of India has launched Udyagini Scheme to encourage the women entrepreneurs to avail the loans on liberal terms and exclusive catering of

credit under direct agriculture activities, Tiny SSI sector, business enterprises, retail traders, professional and self-employed, etc. Loan limit may be given for any productive purpose by way of term loans or working capital. The borrowers shall be selected as per the definition of the women entrepreneurs mentioned in the eligibility criteria. Preference be given to women entrepreneurs trained for the activity undertaken.

4.3.15 Udyogini: Saraswat Cooperative Bank offers Udyogini scheme for women entrepreneurs of which takes care of their financial requirements allowing them to concentrate on their business growth. The bank has introduces three schemes such as:

1. Microenterprises (finance up to Rs. 2lac where repayment is within 6 years).
2. Small-scale Enterprises (loans Rs. 2lac to Rs. 50lac, where repayment is within 6 years)
3. Medium Enterprises (loan amount Rs. 10 lakh to a maximum limit of Rs.50 lakh, where repayment is within 7 years).

4.3.16 Support to Training and Employment Program (STEP): The Ministry implements the Support to Training and Employment Programme for Women (STEP) as a Central Sector

Scheme mostly through NGO. The scheme has been in existence since 1986-87 and aims at sustainable employment and income generation for marginalized and asset-less rural and urban women. The guidelines of the scheme were revised in 2009. Programme Implementation Manual has been issued. The key strategies for achieving the goal of livelihood opportunities for women, especially those in SC/ST households and families below poverty line, include training for skill upgradation, facilitating organization of women into viable cooperative groups, strengthening backward and forward linkages and providing access to credit. The ten traditional sectors identified for project funding under STEP comprise of agriculture, animal husbandry, dairying, fisheries, handlooms, handicrafts, Khadi and Village Industries, sericulture, waste land development and social forestry. The scope and coverage of the scheme have been broadened with introduction of locally appropriate sectors identified and incorporated in consultation with State/UT Governments.

In the XI Plan, 160,560 beneficiaries were covered under the STEP scheme. Based on the evaluation done in 2007, the scheme has been revised in 2009 to include training in accordance with market demand, enhancement of beneficiary norms and establishment of credit linkages with the Rashtriya Mahila Kosh (RMK), NABARD, CAPART and other financial institutions. The scope and coverage of the scheme has been broadened with introduction of locally

appropriate sectors identified and incorporated in consultation with State/UT Governments. Moreover, norms of the minimum beneficiaries to be covered under one single project have been reduced to 200. The per capita cost has been raised to Rs 16,000/- from earlier Rs 8000/- In March, 2011, the Programme Implementation Manual for STEP has been issued and uploaded in the Ministry's website detailing the guidelines of the project implementation. It is envisaged to link the STEP Scheme with vocational courses under NSDP in order to increase employability of the trained SHG members under STEP. This will be a gradual process and same will depend upon availability of vocational courses and facilities in the STEP project areas and the sectors covered under STEP. Considering the upper limit of the cost of Rs. 16,000 per beneficiary, a sum of Rs.260crore is proposed for the scheme in the XII F.Y. Plan.

4.3.17 National Mission for Empowerment of Women: NMEW has identified a three pronged strategy to achieve its objectives of holistic empowerment of women through intervention at the policy level by reviewing studies /evaluations/impact assessment of programmes/schemes for gender equality, strengthening the implementation and delivery mechanism, and empowering women to demand their entitlements. Among the various initiatives planned, a new model of delivery i.e. the 'Convergence Model' has been launched in District Pali, Rajasthan and proposed to be started in another 31 districts of the country during 2011-12. Attempts to bridge the gap between the demand and supply of the services related to women by undertaking realistic estimate of the demand, bringing greater awareness about the women based schemes and programmes of the Government, augmenting the demand for various services/schemes for women, connecting them with the service providers i.e. existing Government machinery across different departments/ministries. The model will include introduction of convergence cum facilitation centers for women at the district, ward, tahsil / block and village levels. The approved outlay for the convergence model for the mission for 2 years was Rs. 141 cr. On the completion of 2 years, Continuation and expansion of the activities of the Mission in the XII Plan will be decided after an evaluation is conducted. The proposed outlay for NMEW for the XII Plan is Rs 655crore.

4.4 GOVERNMENT POLICY

Government policy plays a major role in the economic growth of a developing country like India. Industrialization is a process which accelerates economic growth and affects structural

changes in the economy. For the development of industry and entrepreneurship, Centre and State government has to performed an important responsibility regarding in which sector opportunity of development of industry and to give this information to industrialist to come up in that direction. Efforts have been made during planning in India to provide information and guideline to entrepreneurs by Centre and State level.

4.4. A Central Government Policy: The Government of India has adopted privatization and liberalization policy to speed up entrepreneurship. Country's economic development is based on Industrial Development and development of industries is due to entrepreneurship. The development process in this direction is in full swing. Here we examined central government policy in different category.

Central Government Incentive Schemes for Development in Industrial Policy 2009- 2010:

Entrepreneurs in India are offered a number of incentives in order to encourage them to set up small industrial units. Incentives benefit the economy and assist entrepreneurs. The objective of incentives is to stimulate and motivate an entrepreneur to set up new ventures so that the people and the nation as a whole benefit from that particular venture. These incentives schemes are as follows.

1. Scheme for Technology Upgradation Fund: Operative Period from 1/4/1999 to 31/3/2012.

The scheme provides concessional bank loans through a network of nodal and co-opted banks/FIs for the purpose of Technology Upgradation.

Quantum of Assistance:

1. Reimbursement of 5% interest charged by the banks/FIs for TUF projects. In addition to this the scheme provides coverage of exchange rate erosion not exceeding 5% points per annum in respect of foreign currency loans instead of 5% interest support. An additional option to the Power looms units to avail of 20% Margin Money subsidy under TUFs in lieu of 5% interest reimbursement on investment in TUF compatible specified machinery subject to a capital ceiling of Rs. 200lac and ceiling on subsidy Rs. 20 lac and 15% Margin Money subsidy for SSI textile and jute sector subject to a capital ceiling of Rs. 200 lac and ceiling on subsidy Rs. 15lac.
2. The Scheme provides 5% interest reimbursement plus 10% capital subsidy for specified processing machinery, garmenting machinery and machinery required in manufacture of technical textiles.

3. The Scheme provides 25% capital subsidy on purchase of the new machinery and equipments for the pre-loom & post-loom operations, handlooms/up-gradation of handlooms and testing & Quality Control equipments, for handloom production units.

The other beneficiaries for the scheme are the Jute and Handloom Sector.

2. Scheme for Market Development Assistance for MSME Exporters (MSME-MDA):

Operative Period from 1/8/2000 to 6/4/2012. The scheme aims at encouraging SMEs in their efforts at tapping overseas markets by enhancing exports as well as increasing their participation at International Trade Fairs/Exhibitions under MSME India.

Quantum of Assistance:

1. Participation by manufacturing SMEs in International Trade Fairs/Exhibitions under MSME India stall.
2. Initiating /contesting anti-dumping cases by MSME Associations.
3. Reimbursement of 75% of one-time registration fee (w.e.f. 1 January 2002) and 75% of annual fees (recurring) (w.e.f. 1 June 2007) paid to GSI by SMEs for the first three years for bar code.

3. Credit Guarantee Cover Fund Scheme for Small Industries: Operative Period from 30/08/2000 to 31/08/2014. The scheme was launched by the Government with a view to alleviating the problem of collateral security and impediment to flow of credit to Small Scale Industries sector.

Quantum of Assistance:

1. Any collateral free credit facility extended by lending institutions on or after 1 June 2000 to manufacturing SSI units with a credit cap of Rs. 25lac per operating unit, can be extended guarantee cover. The credit facilities up to Rs. 25lac sanctioned without collateral security and/or third party guarantee have also been made eligible for coverage under the scheme. The guarantee cover available is up to 75% of the loans extended. The Guarantee cap per borrower is Rs. 18.75lac. The rate of interest charged by the borrower shall not be more than 3% over the prime lending rate of the lending institution.
2. The lending institutions have to pay one time guarantee fee of 2.5% of the credit facility sanctioned and the service charges of 1% p.a. on the outstanding loan amount as on 31 March each year.

3. The Guarantee cover will commence from the date of payment of guarantee fee and shall run through the agreed tenure of the term credit. Where only working capital is extended, the guarantee cover shall be for a period of 5 years or a block of 5 years or for such period as may be specified by the Trust in this behalf.

4. Rajiv Gandhi Udyami Mitra Yojana (RGUMY): Operative Period up to 08/04/2011. The objective of this scheme is to provide handholding support and assistance to the potential first generation entrepreneurs, who have successfully completed EDP/SDP/ESDP or vocational training, through the selected lead agencies i.e. “Udyami Mitras”, in the establishment and management of the new enterprise, in dealing with various procedural and legal hurdles and in completion of various formalities required for setting up and running of the enterprise.

Quantum of assistance:

1. For setting up of service enterprises, the handholding charges provided would be Rs. 4000 per trainee, which includes contribution of Rs. 1000 by the beneficiary.
2. For setting up of micro manufacturing enterprises, having investment in plant and machinery up to Rs. 25,00,000, the handholding charges would be Rs. 6000 including Rs. 1000 to be contributed by the beneficiary and from special category, the beneficiary's contribution of Rs.1000 shall also be provided as a grant under RGUMY.
3. For small manufacturing enterprises having investment in plant and machinery of more than Rs. 2500,000 in addition to Government grant and entrepreneur's contribution, the entrepreneur will also have to make additional contribution towards handholding charges at the rate of 0.1 per cent of the project cost in excess of Rs.2500, 000 subject to a ceiling of Rs. 10,000.

5. Micro and Small Enterprises- Cluster Development Programme (MSE-CDP): Operative Period from 2007 till further orders.

Quantum of Assistance:

1. Diagnostic Study – Maximum cost Rs. 2.50lac.
2. Soft interventions-Maximum cost of project Rs. 25lac, with GOI contribution of 75% (90% for Special Category States and for clusters with more than 50% women/micro/village/SC/ST units).

3. Hard interventions i.e. setting up of CFCs- maximum eligible project cost of Rs. 15crores with GOI contribution of 70% (90% for Special Category States and for clusters with more than 50% women/micro/village/SC/ST units)
4. Infrastructure Development in the new/existing industrial estates/areas.
5. Maximum eligible project cost Rs. 10.00crore, with GOI contribution of 60% (80% for Special Category States and for clusters with more than 50% women/micro/SC/ST units)

How to avail: Proposals for consideration under MSE-CDP can be sent through State Government or their autonomous bodies or field institutes of Ministry of MSME i.e. MSME-DIs. The proposals are approved by the Steering Committee of the MSE-CDP.

6. **Entrepreneurship Development Institutions (EDIs.):** Operative Period from 06-08-1991 to 02-04-2010. The scheme aims to provide assistance for strengthening of training infrastructure of existing and new Entrepreneurship Development Institutions (EDIs).

Quantum of Assistance:

1. The assistance to be provided would be only supplementary to the contributions and efforts of the States.
2. The financial assistance will be for specific needs of each case of improvement in areas like building, training aids/equipment and other support services and on matching basis of what is submitted. For example 50% of the cost shall be borne but shall be restricted to Rs. 100lac in each case.
3. The State Government will examine the expansion/modernization programs of EDIs and forward the same to the Joint Secretary, Ministry of Small Scale Industries, recommending central assistance. The proposals would indicate the item-wise estimated cost of the project, and also the sources of finance.

7. **Assistance to States for Developing Export Infrastructure and Other Allied Activities (ASIDE):** Operative Period from 2003 till further order. The objective of the scheme is to involve the states in the export effort by providing assistance to the State Governments for creating appropriate infrastructure for the development and growth of exports.

Quantum of assistance:

1. Under the scheme, funds for the approved projects may be sanctioned to public sector undertakings of Central/State Government, Other agencies of Central/State

Government, Export Promotion Councils/Commodity Boards and Apex Trade bodies recognized under the EXIM policy of GOI.

2. The proposals must show a direct linkage with the exports. The proposed investments should also not duplicate the efforts of any existing organization in the same field.
3. Up to 50% cost of the construction of Common Effluent Treatment Plant would be given as assistance under this Scheme.

4.4.B Gujarat Government Policy: The state of Gujarat has been one of the highly industrialized states in India. The changes in the economic order of the world today with an ongoing meltdown have resulted in global investors exploring newer investment destinations where the investments would be safe and would fetch assured returns. Led by entrepreneurial spirit and unfaltering support of the State Government, Gujarat has emerged as a manufacturing powerhouse with world class production capabilities and facilities. In addition, the Government of Gujarat has played a very proactive role in encouraging private sector participation in infrastructure projects through PPP MODE. The new industrial policy in addition to addressing a wide range of areas of intervention would also give adequate thrust to ensuring holistic development in the state. In this context, the Government of Gujarat in addition to facilitating PPP projects would also make the corporate entities, partners to several holistic development activities and thereby promote “Creation of Wealth with Social Health” (Corporate Social Responsibility) in the state.

Government is very keen to promote women entrepreneurs and therefore, will give priority to projects promoted by women entrepreneurs in granting clearances. It will consider grant of additional interest subsidy to such projects. Specific courses to train women in entrepreneurship will also be introduced.

State Government Incentive Schemes for Development in Industrial Policy 2009 - 2010: The Industrial policy by the Government of Gujarat has focused on providing encouragement to the small and medium sectors. Various schemes and incentives have been announced for promoting and developing the sectors in the state. Through these incentives schemes, the government aims to provide both monetary and non-monetary benefits to this sector. The details of the scheme have been mentioned below.

- 1. Interest Subsidies to MSMEs:** Operative Period from 27/02/2009 to 26/02/2014.

Interest Subsidy Assistance:

1. Graded interest subsidy at the rate 7% for micro enterprises and 5% for small and medium enterprises.
 2. Interest subsidy not available for penal interest or other charges. 1% additional interest subsidy to youth having less than 35 years of age in case of first project. Women entrepreneurs will be accorded priority.
 3. Maximum amount of interest subsidy will be Rs. 25 lakhs per annum, for a period of five years.
- 2. Venture Capital Assistance:** To promote Venture Capital Funding for MSMEs, for projects adopting innovative technologies such as Technical Textiles, Nano Technology, Information Technology, Bio-Technology etc., the government would provide fund to FIs/Banks who have the necessary expertise in operating Venture Capital Funds. The maximum amount to be given to any such funds would be Rs.10 Crores during the operative period of the scheme.
- 3. Assistance towards Quality Certification, Skill Enhancement and Technology Acquisition:** Operative period from 27/02/2009 to 26/02/2014
- Quality Certification:** Assistance will be granted to the eligible MSMEs for maximum 3 quality certifications, at the rate of 50% of cost of quality certification within overall ceiling of Rs. 6lac in 5 years. The cost for certificate will include fees charged by certification agency(excluding travel, hotel & surveillance charges), cost of testing equipments as suggested by BIS, calibration charges of equipment and consulting fees and training charges(excluding travel, hotel and surveillance charges).
- Skill Enhancement:** 50% of fees, subject to maximum Rs. 5000 per person for a minimum one week duration training of skill upgradation in MSMEs in a programme conducted in institutions suggested by an Anchor Institute or specialized institution in specific sector will be reimbursed. The minimum batch size for such training assistance should be of 25 trainees.
- Technology Acquisition Fund Assistance for acquisition of appropriate technology in any form to a group of at least 10 MSMEs for a specific product/process will be provided by way of 50% grant subject to a maximum of Rs. 1crore per technology including royalty payments for first two years.

- 4. Support to Research And Development Institutions:** Operative period from 27/02/2009 to 26/02/2014.

Quantum of Assistance

1. Need based support will be provided to R & D institutions set up with the State Government support, including setting up of new R & D institution, testing facilities, incubation center etc. The assistance will be upto 60% of the project cost excluding land cost & building cost.
2. Assistance for Contract/Sponsored research work from any industrial unit/Industry Association to recognized R & D Institution/technical colleges approved by AICTE, will be considered at the rate 50% of project cost, excluding cost of land and building, subject to maximum Rs.50lac.

- 5. Patent Assistance:** Operative period from 27/02/2009 to 26/02/2014

Patent Assistance:

1. Assistance at the rate 50% subject to maximum Rs. 10lac for necessary expenditure for obtaining domestic patents by any industrial unit/institution.
2. Quantum of assistance can be enhanced to Rs. 25lac for international patents by a company.
3. Fees paid to patent attorney and patent service centre will be eligible (excluding travel, hotel charges).
4. Maximum five patents per unit over a 5 years period will be eligible.

- 6. Assistance towards Cluster Development In PPP Mode:** Operative period from 27/02/2009 to 26/02/2014

Quantum of Assistance

1. Anchor units, nodal institutions and/or industry associations will be associated in PPP mode in a programme of cluster development.
2. Assistance at the rate 80% (including assistance from Government of India) in the proposed cost of program with a ceiling of Rs. 10crore per cluster for a period of 3 to 5 years.
3. Assistance to nodal institution/hiring of experts should not exceed 3 % of project cost.
4. Cluster Advisory Institution (CAI) to be constituted.

5. Cluster will be eligible for partial financial assistance as available under the Scheme of Critical Infrastructure.
6. Assistance will be subject to preparation, by the project owners, of a Comprehensive Development Plan of the cluster for 5 years.

7. Awards to Best MSMEs: Operative period from 27/02/2009 to 26/02/2014

1. Separate awards to be given for Micro, Small and Medium category.
2. Three awards to be awarded in each category.
3. Growth in production and profit
4. Quality and Environment improvement measures
5. Innovation in technology for new product or process development
6. Award in the form of Rs. 1lac cash and appreciation letter.

A Unit which has applied in any of the earlier scheme as referred in the GR and assistance is not sanctioned, will have to apply afresh in the present scheme provided eligibility criteria are satisfied.

The Gujarat Government also introduced Assistance towards Energy & Water Conservation, Market Development Support, and Support for Vendor Development, Support to auxiliary Industries and Rehabilitation of Sick Units Schemes for assistance to Micro, Small and Medium Enterprises.

The Gujarat Government, for development in industrial policy 2009-2010 also announced incentive schemes for Assistance to Textile and Apparel Sector, Enhancement of Technical Competence and Manpower, Improving Industrial Infrastructure, Gems and Jewellery Sector and Environment Protection Measures and Infrastructure.

Thus, there are so many promotional institutes/agencies functioning at national level and state level which are playing their significant role in the development of women entrepreneurship. In addition to facilitating economic and industrial growth the central and state government introduces different schemes for assisting women entrepreneurs. To encourage women entrepreneurs, government had been given special incentive schemes in our five years plan and in industrial policy. Through these institutions and schemes the government provides adequate credit, funds for technology up gradation and modernization, infrastructure facilities, modern management practices and advanced training facilities, marketing assistance etc. But lot still needs to be done in this regard particularly where women are concerned. The policies and

programmes of government agencies should reach the ultimate consumers properly so as to ensure their success.

4.5 CONCLUSION

Entrepreneurship is dynamic process. Entrepreneurship plays a crucial role in the growth and development of economic system of society. Thus government agencies, other organizations, entrepreneurship promotion groups and bodies along with government and our society also must promote and encourage it.