CHAPTER V

SUPPORT SCHEMES OFFERED AND UTILIZED

INTRODUCTION

Any literature on economic development emphasises the role of entrepreneurship in economic growth. The Indian Government calls for all round measures to ensure that women "catch up with the main stream of national life". The government and the non-government organizations started special meticulously planned support schemes including training, credit, marketing and general guidance to facilitate entrepreneurs to promote women entrepreneurship in India. These special programmes, that are known as entrepreneurial programmes are useful in tapping the skills of the women entrepreneurs and accelerating the growth of the small scale sector. These schemes are utilized well by women entrepreneurs. All these have led to the promotion of women entrepreneurship in the country.

The support schemes are based on various systems. "The various systems are revealed by the research work of Nadkarni and Pareek They propound the systems concept as follows: viz., self-sphere system, socio-

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1 Tushar Kant Misra - Make them equal partners in Development - Yojana, Volume 32, No. 9, pp. 18-20.
psychosystem, resource-system and support-system. The boundaries of these sub-systems are overlapping to some extent".  

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ORIGIN

The new industrial policy, 1980 has emphasised the need of implementing the entrepreneurship programme for women in rural and urban areas to uplift their status in the economic and social field. "Products and process courses are framed to train the women group for their participation in industries and business". ³

A national standing committee on women entrepreneurs was constituted to look into the promotion of women entrepreneurs and evolve policies for promotion of entrepreneurship among women in India.

The first committee meeting held at New Delhi on 6th October in 1986 proposed to compile all the information on women entrepreneurs indicating the various types of assistance needed for the development of entrepreneurship among women in India.

In India under McClelland guidance, the National Institute of Small Industry Extension Training, Hyderabad conducted the first experimental programmes for development of entrepreneurship in the mid-sixties.⁴

Amongst the Commercial Banks, State Bank of India (SBI) was the first to evolve a comprehensive programme for EDP since 1978. As per the Bank’s model, the EDP is for one month’s intensive training in behavioural science, management aspects and field training. EDP by SBI consists of three basic phases. They are: 1) Initiation phase, 2) Development phase and 3) support phase.⁵

“The Entrepreneurship Development Institute of India (EDI) is a unique institute. It is the first of its kind in Asia was set up in May 1983 at Ahmedabad by all India financial institutions - Industrial Development Bank of India, Industrial Credit and Investment Corporation of India, Industrial Finance Corporation of India and the State Bank of India.”⁶ Entrepreneurial Development Programmes (EDP) are conducted for target groups - Science and


⁵ Study on status and opportunities for Entrepreneurship of Women in Tamil Nadu, Tamil Nadu Women Development Corporation, EMGEEBEE Chennai, Tamil Nadu - p. 6.1.

⁶ Vinze - Women Entrepreneurs in India, Delhi, Mittal Publications, 1987, p. 121.
Technology Graduates, Women of Rural Self-employment and existing entrepreneurs.

The Gujarat Industrial Investment Corporation was the first state level financial institution to introduce entrepreneurial development programme in a systematic and sustained manner. This model is also known as the integrated EDP model, because as a single programme it links all the three stages involved in the enterprise building, from identification and development of an entrepreneur to the initiation of his enterprise. Most state level agencies later adopted the method of EDP developed in Gujarat.

SUPPORT SCHEMES OFFERED IN TAMIL NADU

The women entrepreneurship development is a process which requires extensive support from the government and family members. Women's participation in the economic development calls for arrangements that should enlighten them more about economic and socially productive work.  

In order to encourage more and more women to enter into the field of entrepreneurship, the Tamil Nadu government has introduced several

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schemes for providing training, financial assistance and extension services to women entrepreneurs. Tamil Nadu was the first state in the country to set up a special cell for promotion of entrepreneurship among women.\(^8\)

The EDP was introduced in the year 1989 to motivate and guide the first generation potential entrepreneurs to set up their own enterprise.

160 potential women entrepreneurs were trained in 1989-90 in the districts of Erode, Dindugal, Tirunelveli and Cuddalore. The scheme was expanded to train 717 potential women entrepreneurs drawn from all the districts during 1990-91.

It was noticed on post-evaluation that only about 2 per cent of the candidates who underwent the training, under the programme were women. In order to motivate and encourage, more women entrepreneurs to join the above scheme, an Entrepreneurship Development Programme exclusively for women was launched in 1991-92 and the scheme is continued every year thereafter by the Department of Industries and Commerce.

\(^8\) The Hindu, June 17, 1996, p. 5.
The statistics shows that every year from 1991-92 onwards 800 women were given training. But 293 women started the enterprise in the year 1991-92, 493 in the year 1992-93 and 500 in the year 1993-94.\(^9\)

The Department of Industries and commerce trained 1000 prospective women entrepreneurs throughout Tamil Nadu under the scheme for a period of three months comprising one month of theoretical classes and two months of practical training in their chosen field at a cost of 15 Lakhs from 1991-92 onwards. The number of trainees increased from 1000 to 1250 for the year 1995-96. In the year 95-96 a special training was given to 250 women entrepreneurs who had got experience in entrepreneurship. As Sinha points out, in development people should be participants not targets.\(^10\)

The trained women were given loan from Rs. 50,000 to Rs. 60,000. “The Tamil Nadu Government has the proposal to grant ten per cent subsidy on capital investment to first generation women entrepreneurs and it had granted a special subsidy for units employing women to the extent of 50 percent of the workshop.\(^11\)

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Motivation camps are conducted by District Industries Centres (DIC) blockwise through dissemination of information. Information Dissemination meet is conducted once in a month by DIC. In Tamil Nadu, only the four DIC centres in Chennai, Coimbatore, Salem and Tiruchirappalli are having library facilities.

SMALL INDUSTRIES AND SERVICE INSTITUTE (SISI)

SISI in collaboration with Madurai Kamaraj University has started two post-graduate diploma courses on (1) Sales Management and (2) Export Sales. SISI has conducted Entrepreneurial Development Programmes for educated unemployed youth from the year 1996-97 onwards. It has launched six Entrepreneurial Development Programme exclusively for women. It had the proposal to start EDP in Sivakasi, Karaikal, Mannargudi, Kanyakumari, Pollachi, Jolarpettai for the year 1996-97 in Tamil Nadu.

In India Tamil Nadu is the first state which conducted the practical training along with theoretical training under Entrepreneurial programme. This scheme is implemented through District Industries centres in all districts.

“A new scheme of escorts service was introduced for the benefit of first generation women entrepreneurs by the government of Tamil Nadu.
Special incentives are provided to women entrepreneurs by the Tamil Nadu government like special subsidy and priority in allotment of sheds. The success rate of ED programmes for women was among the highest in the country at 58 per cent.12

TAMIL NADU CORPORATION FOR DEVELOPMENT OF WOMEN, LIMITED.

1. In order to give employment opportunities, this corporation itself runs industrial training centres. It also helps the voluntary organizations which come forward to run the training centres.

2. In order to improve the skills of the women entrepreneurs and to encourage the women to start the enterprise the corporation joins with financial institutions and other Industrial Development Institutions. Tamil Nadu Women Development Corporation conducts special training schemes.

3. The corporation acts as an advisory body for the self-employed women entrepreneurs about the selection of the enterprise. It helps them to prepare the projects. It directs them to get the financial assistance through banks. To get the licences, documents from the governments for

running the industries, women can approach the corporation. It directs and help them.

4. If 30% women are employed in an enterprise, 5% subsidy is sanctioned in addition to the allotted subsidy.

5. In all Industrial Estates, District Industries Centres and Training Centres, 30% of the seats are to be allotted for women only.

MAHALIR KAZHAGAM (MAHAM)

Maham has been working in partnership with the Non-Governmental Organizations continuously since its inception. Sustainable development is also the primary aim of all development projects undertaken by MAHAM. Women who are not benefited under any other economic development programme of government are benefitted by the Mahalir Kazhagam.

VOLUNTARY ORGANIZATIONS

The assistance of voluntary organizations is vital in creating entrepreneurial awareness, motivation, identification, training, selection of

schemes and regular monitoring the units. The concept of women’s education which greatly influences promotion of their entrepreneurship is also linked up with the active involvement of local voluntary organizations.\textsuperscript{14}

Besides the government’s efforts to promote women entrepreneurship in Tamil Nadu, some voluntary organizations are also taking steps in promoting women entrepreneurship. They are:

1. Social Life Animation India (SOLAI)

2. Kovai Magalir Mandram (KOMAGAL).

Mrs. Margaret Alva, the then Minister of State for Youth Affairs said as follows while addressing a conference on Women and Development held in Delhi. “This minority (women) should seek all ways and means of integrating the vast majority of illiterate, ignorant, poor women of the villages and slums with the main stream of society. She also called for greater co-ordination and co-operation among women’s organizations so that their combined resources could render their services more effective and their planning more positive.”\textsuperscript{15}

\textsuperscript{14} Hari Narayana Rao, G. - Promotion of Women Entrepreneurship: A Brief Comment - SEDME 18(2) June 1991, p. 24.

\textsuperscript{15} Sarada Devi, K. - “Entrepreneurship of Women in India” - Khadi Gramodyog 35(b) March 1989, p. 271.
SPECIAL SCHEMES FOR WOMEN ENTREPRENEURS IN TAMIL NADU

A women entrepreneur should invest 51 per cent as capital and give 50 per cent of employment to women.

The Tamil Nadu government gives Entrepreneurial Development training to 1000 women every year. The aim is to create potential women as entrepreneurs and thereby give employment opportunities.

This training takes place two or three months depending upon the enterprise. For this Rs. 300 is given as stipend to each trainee. This is carried out in all the Districts in the state of Tamil Nadu. The training gives entrepreneur, training from manufacturing things to gaining profit.

SUBSIDY

Loan is given up to 10 Lakhs for small scale industrial units. For this ten per cent of the capital should be invested by the entrepreneur. This scheme is implemented by Industrial Development Corporation through the nationalised banks on the basis of re-finance scheme.

Soft loan margin should not exceed fifteen per cent in the total investment. This should not exceed 1.5 Lakhs. Service charge should be one per cent per annum.
In order to encourage the women entrepreneurs state awards are given for efficiently running enterprise.

ROLE OF DISTRICT INDUSTRIES CENTRE

Setting up District Industries centres (DICs) in a uniform pattern throughout the country was an important decision taken by the Government of India since the announcement of the National Industrial Policy on December 23, 1977. The programme of the DICs was started 1st May 1978. These centres function under the Director of Industries and Commerce. They have been established in almost all districts of the country. They provide all the services and facilities to the entrepreneurs, in the following ways:-

1. in preparing the projects,
2. recommending the projects to the financial institutions and
3. giving entrepreneurial training

Each DIC is headed by a General Manager assisted by seven functional managers and other supporting staff.

NAGAPATTINAM DISTRICT AND FINANCIAL ASSISTANCE

In Nagapattinam District, the DIC gives training to potential women entrepreneurs in order to increase the number of women entrepreneurs
in the district. The present work is an attempt to assess the institutional support provided to women enterprise in the area of study.

The Tamil Nadu Government has classified some areas in the district as industrially backward and most backward.

Sirkali is declared as the most backward one. The most backward area is eligible to get 20% capital subsidy from the government of Tamil Nadu.

Nagapattinam, Tharangambadi and Vedaranyam are the areas declared as industrially backward areas. These areas are eligible to draw 10% capital subsidy from the Government of Tamil Nadu.

**Table 5.1**

**Number of Potential Women entrepreneurs under went EDP Training-Community-Wise distribution**

<table>
<thead>
<tr>
<th>Year</th>
<th>OC</th>
<th>BC</th>
<th>MBC</th>
<th>SC &amp; ST</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>91-92</td>
<td>2</td>
<td>22</td>
<td>4</td>
<td>2</td>
<td>30</td>
</tr>
<tr>
<td>92-93</td>
<td>4</td>
<td>22</td>
<td>1</td>
<td>3</td>
<td>30</td>
</tr>
<tr>
<td>93-94</td>
<td>3</td>
<td>21</td>
<td>5</td>
<td>1</td>
<td>30</td>
</tr>
<tr>
<td>94-95</td>
<td>2</td>
<td>19</td>
<td>1</td>
<td>8</td>
<td>30</td>
</tr>
<tr>
<td>95-96</td>
<td>2</td>
<td>13</td>
<td>2</td>
<td>13</td>
<td>30</td>
</tr>
<tr>
<td>Total</td>
<td>13</td>
<td>97</td>
<td>13</td>
<td>27</td>
<td>150</td>
</tr>
</tbody>
</table>
Table 5.1 shows that the number of women entrepreneurs underwent the training. The training is given by the District Industries Centre of Nagapattinam district on the quota basis. In selecting the candidates the norms of the Government of Tamil Nadu are followed.

INSTITUTIONS’ PARTICIPATION IN GIVING TRAINING

During the year 91-92 there were only three institutions gave training to the women entrepreneurs. But in the year 92-93 eleven institutions participated in this work. During the year 93-94 sixteen institutions discharged the same duty. But during the year 1994-95 only nine training institutions imparted training to the women entrepreneurs. In the year 95-96 only eight institutions functioned in the area of study. The participation of the institutions varies according to the demands of the situation.

PAYMENT OF STIPEND

Each women entrepreneur gets the stipend when she undergoes the training. From 91 to 93, rupees 200 was given to each trainee. Then the amount was increased to rupees 225. Later the stipend paid was rupees 250 from 94 onwards. The increase in stipend is due to the policy of the Government of Tamil Nadu only. The stipend is given to motivate the potential women entrepreneurs.
FINANCIAL ASSISTANCE: TAMIL NADU

The commercial Banks are involved in lending money for the potential women entrepreneurs to start their enterprise.

SRI-SAKTHI YOJANA BY THE STATE BANK OF INDIA

Amongst the commercial banks the SBI was the first to evolve a comprehensive programme to women entrepreneurs under the ageis of SBI-Sri Sakthi Yojana Scheme.

It is exclusively designed for women entrepreneurs. The package entrepreneurial development programme is for one month intensive training in behavioural science, management aspects and field training.

Entrepreneurial Development Programmes for women with or without formal training or exposure to business are conducted at various training centres of the banks all over the country.

“Twenty five thousand women have benefited by this for the year 95-96. For this 16.25 crores has been spent. To start the enterprise the banks lend loans up to 25000 without collateral security”.

\(^{16}\) The Hindu, August 5, 95, p. 3.
PRIYADHARSHINI YOJANA BY THE BANK OF INDIA

This scheme is launched under the aegis of the Bank of India. Another Scheme is Priyadharshini fortnight for identifying entrepreneurs and distributing loans to them.17

The bank has formulated special schemes for women in the areas like S.S.I. Road transport operation, trading, export, agriculture and other allied activities.

During the fortnight women intending to utilize the assistance under the programme can have special counselling in the centres of the bank and discuss their proposals with the designated officers.

In Madras, five counselling cells have been opened for this purpose. Similar exercises have been taken up all over the country.

The Entrepreneur Development Programme was being taken up as part of the bank’s strategy to achieve the mandatory 40% priority sector commitment.18

17 Ibid.
18 The Hindu, August 5, 95, p. 3.
For the year 95-96 loans were distributed to 567 women entrepreneurs in Tamil Nadu.¹⁹

The bank's south zone comprising Kerala, Karnataka, Tamil Nadu and Pondicherry has earmarked an additional Rs. 106 crores for the priority sector. Women beneficiaries would be given preference in the banks endeavour to achieve the target. The total outlay for the sector was Rs. 405 crores.

The bank's financial assistance to women has been distributed over 40,000 accounts.

INDIAN OVERSEAS BANK - THE LEAD BANK

The special feature is this bank functions as the lead bank in Nagapattinam district along with the State Bank of India - Nagapattinam.

The successful functioning of the Self-Help groups (SHGS) for women started as a joint venture of the IOB and the Social Life Animation India (SOLAI) movement reflected the emergence of women power as against the traditional man power.²⁰

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¹⁹ Vanigamani, July 14, 97, p. 7.
²⁰ The Hindu, December 14, 1996, p. 4.
CENTRE FOR ENTREPRENEURSHIP DEVELOPMENT FOR WOMEN (CED) by The Canara Bank

The Canara Bank has established a centre for assisting all enthusiastic women with entrepreneurial zeal to set up enterprise of their own. The bank has fixed a target of Rs. 125 crores of outstanding credit to women entrepreneurs in the year 95-96, CED of the Canara Bank gives free consultation to the women entrepreneurs for two days in a week.21 It is appreciated that the women were better borrowers than men and with their promptness in repayment contributed to the success of the schemes of financing Self Help Group among rural women.

MAHILA UDHAYAM NIDHI

Small Industries Development Bank of India has started two schemes i.e., Mahila Udhayam Nidhi and Mahila Vikas Nidhi from 1990 onwards. These schemes are implemented through the Regional Financial Corporation and Small Scale Industries Development Corporation (SIDCO). Through the Mahila Udhayam Nidhi 2400 women entrepreneurs have benefitted. This scheme lent money upto 101 Lakhs during the year 95-96.

21 The Hindu, December 14, 96, p. 4.
GENERAL SCHEMES FOR WOMEN ENTREPRENEURS IN NAGAPATTINAM DISTRICT

Though there are exclusive schemes for women entrepreneurs in certain areas of Tamil Nadu, they are not in the area of study. But the women are benefited only through the general schemes such as:

1. Small Scale Industries
2. Retail Traders
3. Small Business Enterprise
4. Professional and Self-Employed and
5. Prime Minister Rozgar Yojana

PRIME MINISTER ROZGAR YOJANA (PMRY)

This scheme comes into effect from 2.10.93. It was implemented by Mr. Rajiv Gandhi.

According to this, those who have completed the X standard at the school level, or a certificate from the Industrial Technical Institute or had a six month training given by the Government are eligible to apply for loan and get training facilities to become entrepreneurs. The DIC recommends the applicants to enjoy the benefits if they satisfy the norms prescribed by the government. This is implemented throughout the country.
NATIONAL LEVEL ASSOCIATIONS

WOMEN ENTREPRENEURS WING OF THE NATIONAL ALLIANCE OF YOUNG ENTREPRENEURS (NAYE-WOMEN)

The NAYE-Women was set up in 1975 to promote and develop entrepreneurship among women. The NAYE-Women is an integral part of National Alliance of Young Entrepreneurs (NAYE). It is a matter of pride that over “50,000 entrepreneurs from different parts of the country are far-going ahead”.

The eighth convention of NAYE was attended by women entrepreneurs from 14 States and Union Territories. The convention provided an opportunity to recommend measures to give a vigorous thrust to this activity in the coming years.

THE NATIONAL ASSOCIATION OF WOMEN ENTREPRENEURS AND EXECUTIVES (NAWEE)

This is also a national body to promote women entrepreneurship in India. It is to act as a “spokesman” of women and to help to project the correct image of its constituent members, whether individuals companies,

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organizations, associations or government agencies and departments, through publications, seminars, workshops, conferences, exhibitions, group tours, lectures, contests, awards or by any other means.

ROLE OF INDIAN INSTITUTE OF MARKETING MANAGEMENT IN WOMEN ENTREPRENEURSHIP-AWARD FOR WOMEN ENTREPRENEURS

Yearly awards for women entrepreneurs and executives were started in the year 1980. Since then 250 distinguished women in business, have been receiving the awards. The Indian Institute of Marketing Management New Delhi, in collaboration with Babu Jagmohan Das Shah Trust confers the awards on successful women entrepreneurs and executives in business, trade and industry.

FEDERATION OF INDIAN CHAMBER OF COMMERCE AND INDUSTRY (FICCI): LADIES ORGANIZATION

FICCI is the oldest and the strongest association of business community operating in India since 1928. Its membership has increased from 400 (1980) to 1600 (1984). The Nagpur Mahila Bank is an excellent example of what a co-operative effort by women can achieve in the field of professional banking and development of entrepreneurship. The Mahila Bank in Vidharba is another one.
A national standing committee on women entrepreneurs was constituted under the chair personship of Smt. Margaret Alva, Minister of State for Sports, Youth Affairs, Women and Child welfare, to look into the women entrepreneurship among women in the country. "The first committee meeting held at New Delhi on 6th October 1986 has proposed to consolidate information on women entrepreneurs, indicating the various types of assistance provided by the states and union territories, so as to evolve a common pattern of assistance needed for the development of entrepreneurship among women on a more firm footing in the country".24

THE ASSOCIATION OF WOMEN ENTREPRENEURS OF KARNATAKA (AWAKE)

The Association of Women Entrepreneurs of Karnataka (AWAKE) is formed with the effort of Madhura Chatrpathi with Kiran Majumdar. The former is the president and the latter is the vice-president. The association encourages small scale entrepreneurship by educating women and updating technology in home industries like making agarbathis and beedies etc. The products range from food products and garments to light industrial machinery.

The State Bank of India and the Federation of Karnataka Chamber of Commerce and Industry (FKCCI) organised two seminars in the state. The delegates derived inspiration from a fortnight address of Deepa Tandon of Calcutta, who is managing the tea business the Winner of IMM Cinni gold award for the best woman entrepreneur for 1983.

ALL INDIA MANUFACTURING ORGANIZATION

"On 30th December 1987, at Bombay one new Organization was set up the All India Manufacturing Organization with a view to encourage and to provide guidance to prospective women entrepreneurs to set up industries."

NATIONAL COMMISSION OF SELF-EMPLOYED WOMEN IN THE INFORMAL SECTOR

This commission expects the vast network of Mahila Mandals in India to play an effective role to help poor women in getting 1) credit, 2) raw material, 3) market for their products.

A separate training programme for training of women entrepreneurs was started in 1978-79 by the Small Industries Development organization.

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Training programmes for women were conducted in close association with the:

1) Director - Industries, 2) District - Industries Centres, 3) State Financial Corporation, 4) State Small Industries Corporation and Commercial Banks.

INDIAN COUNCIL OF WOMEN ENTREPRENEURS, NEW DELHI

It is engaged in the holistic approach to entrepreneurship movement. It is also rendering valuable services for the advancement of Fammi-entrepreneurship in the country.

SELF-EMPLOYED WOMEN'S ASSOCIATION (SEWA) OF AHAMEDABAD

This Association has set up and manages its own Co-operative bank. It is a trade union of 13000 women who have low paying jobs. The Association is constantly fighting for liberal help from the government so as to effectively participate in rural and urban development programmes based on entrepreneurship.
WOMEN'S UNIVERSITY OF BOMBAY

It has started to conduct post-graduate diploma in professional training in new fields like banking, taxation laws, travel and tourism, cancer nursing, rehabilitation and entrepreneurship. The University Grants Commission has approved the proposals of the SNDT Women’s university of Bombay.

INTERNATIONAL ORGANIZATIONS

With the rise of the working class, unions began to emerge, to represent the grievances of the employees. Later many unions and associations emerged at all levels to represent the demands of the workers or employees to the management. Likewise with the wave of women entrepreneurship the associations emerged at the international level too as at the national level.

ASSOCIATED COUNTRY WOMEN OF THE WORLD (ACWW)

Ten million women entrepreneurs are its active members through 54 societies which are represented by sixty countries. These groups consist of women entrepreneurs living in rural areas of developing nations and are primarily concerned with the development of rural entrepreneurship.
WORLD ASSOCIATION OF WOMEN ENTREPRENEURS (WAWE)

This is another world association of women entrepreneurs which is enthusiastically involved in the promotion of women entrepreneurship. It actively participates in the International conferences on Women Entrepreneurship. The Association has world membership of 27,000. The WAWE is very anxious to set up laboratories and manufacturing units in India. In fact, women entrepreneurs from abroad are willing to seek avenues for business with Indian firms.

OBSERVATIONS DURING THE STUDY

The schemes for women entrepreneurs in the study area are inadequate. An exclusive programme for women entrepreneurs is necessary. The women entrepreneurs who had undergone the training are of opinion that the training is useful. They expressed that the training period should be extended and amount of stipend should also be enhanced.

CONCLUSION

Several scholars have admitted that with proper training being provided to the potential women entrepreneurs, women entrepreneurship could be developed. So, entrepreneurs are born but also made.
Keeping this in view the Entrepreneurial Development Programme should reach the industrially backward and most backward areas to enhance the number of women entrepreneurs to improve Indian economy. These programmes will definitely help the Indian women to take all activities right from perceiving profitable opportunities till translation of these ideas into materialistic realities by establishing successful enterprises and further leading to growth and development. Certainly with the help of the above programmes it will not take a long time to bring about a revolution in the evolution of the women entrepreneurs.