CHAPTER IV

GOVERNMENT MEASURES AND INSTITUTIONS IN SUPPORT OF WOMEN ENTREPRENEURSHIP
CHAPTER IV

GOVERNMENT MEASURES AND INSTITUTIONS IN SUPPORT OF WOMEN ENTREPRENEURSHIP

Contents

1  Support by Govt. of India

2  Assistance and Incentives of State Govt.

3  Institutional Support Programmes

4  Efficacy of Institutional Assistance

5  Awareness of Entrepreneurs on Assistance and Schemes

6  Opinion of entrepreneurs on economic policy

Page 94-127
CHAPTER IV

GOVERNMENT MEASURES AND INSTITUTIONS

IN SUPPORT OF

WOMEN ENTREPRENEURSHIP

As far as the development of women there have been various shifts in the policies of the Government for the last fifty years -from the concept of 'welfare' till the '70's to 'development' in the '80's and now to 'empowerment' in the '90's. A number of Non-Governmental Organisations (NGOs) are also working to improve the lot of women in the country. Employment, credit facilities, training, awareness generation, income-generating activities etc. have been the major interventions for improving the position of women. The need of the hour is economic independence for women. To translate this hope into reality, the Department of Women and Child Welfare has taken up various projects directed towards advancement of women.

SUPPORTIVE MEASURES OF THE GOVERNMENT OF INDIA

Governments at the Centre as well at the State designed a number of schemes and programmes for the support of entrepreneurs in general and for women entrepreneurs in particular. The schemes of the Govt. of India include the Support for Training and Employment Programme (STEP) aims to raise the incomes of rural women by updating their skills in the traditional sectors, such as dairy development, animal husbandry, sericulture, handloom and social forestry. Since the inception of the programme
in 1987 about 3.32 lakh women have been benefited through 61 projects as at the end of March 2000

Assistance extended by Norwegian Agency for Development (NORAD) for training and skill development, and also for promotion of self-reliance through the generation of income for women in non-traditional trades. Since 1982-83 when the programme was launched, till 31 December 1997, 1.40 lakh women have been benefited through 887 projects.

The Department of Rural Employment and Poverty Alleviation under the Ministry of Rural Development have initiated several schemes in which 30 to 40 per cent of the benefits are reserved for women below the poverty line. The underlying philosophy of these schemes is to encourage entrepreneurship and self-help among women. The concept of 'Women's Component Plan' mooted in the Ninth Plan document was an important strategy to ensure that not less than 30 per cent of funds/benefits from all development sectors should flow to women.

Swarna Jayanthi Gram Swarozgar Yojana Scheme (SGSY), the amended and merged version of the erstwhile Development of Women and Children in Rural Areas (DWCRA), Integrated Rural Development program (IRDP) and Training of Rural Youth for Self Employment (TRYSEM), was launched in April 1999. It is a holistic credit-cum-subsidy program, covering all aspects of self-employment. The stipulated 40 per cent reservation for women will be implemented through the Panchayat Samitis (local self-government).

The Jawahar Rozgar Yojana (JRY) provides facilities for women through training and employment. The Indira Awas Yojana, a part of the JRY, aims at providing houses free of cost to poor
people. The houses are allotted to female members, or in the joint names of the husband and wife to enable women to own assets.

The Government in 1998 launched a new scheme, called the Trade-Related Entrepreneurship Assistance and Development (TREAD). It was designed to generate self-employment for 45,000 women in rural and urban areas. The package involves financial assistance and services through NGOs in the non-farm sector.

The National Bank For Agriculture and Rural Development (NABARD), with the objective of meeting the credit needs of the poor links banks with self-help groups. About 85 per cent of the self-help groups that linked with the banks are women’s groups.

The Scheme for setting up Women’s Development Corporations in States was formulated in 1986-87 with a view to identifying women entrepreneurs, providing them with technical consultancy, facilitating availability of credits, promoting marketing of products, strengthening women’s cooperatives, arranging training facilities, etc. The scheme was transferred to the State sector during 1992-93, as per the decision of the National Development Council.

Indira Mahila Yojana (IMY) was launched in 1995 in over 200 blocks of India, for the holistic empowerment of women. IMY is being implemented in 238 blocks and till now, 40,000 women’s groups have been formed under the scheme. Of these, 3,000 groups were formed in 1999-2000.

Swa-Shakti Project (earlier known as Rural Women’s Development and Empowerment Project) was sanctioned on 16 October 1998 as a centrally sponsored project for a period of five years. The objectives of the project are:
1. Establishment of self-reliant women’s Self-Help Groups (SHGs);

2. Sensitising and strengthening the institutional capacity of support agencies to proactively address women’s needs;

3. Developing linkages between SHGs and credit-lending institutions;

4. Enhancing Women’s access to resources for better quality of life; and Increased control of women, particularly poor women, over income and spending, through their involvement in income-generation activities.

The Project was launched in 1998, initially introduced in six States (Bihar, Gujarat, Haryana, Karnataka, M.P, and U.P) through the establishment of self-help groups. The project is jointly supported by International Funds for Agricultural Development (IFAD) and the International Development Agency (IDA).

Rashtriya Mahila Kosh (RMK), a national credit fund extends credit facilities to poor and needy women. The RMK has extended loans to 20,000 self-help groups of women and has a membership of over 3,00,000. It is instrumental in encouraging women to take control of their own development, and has helped build confidence and political awareness. Till December 2000 the RMK has been able to sanction credit limits of more than Rs. 773.6 million, with the help of about 688 NGOs, which it works through, and has reached out to more than 3,49,752 women.

At the initiative of the DWCD, the process of monitoring the implementation of 27 beneficiary-oriented schemes for women was reviewed by the Prime Minister’s Office. The existing Review
Committee has been renamed the Committee for Monitoring of Gender Mainstreaming in the Government to reflect the changed focus.

A task force has been constituted in 1999 to review all existing legislation and government schemes with a view to enhancing the access of women to national resources and ensuring that they take their rightful place in the mainstream economic development. The task force will also chalk out specific programs for observing the year 2001 as "Women's Empowerment Year". This is one of the most crucial areas of work that has been taken up by the Government. The primary aim is to make women economically independent and help them gain full confidence in themselves.

The 73rd and 74th Amendments (1993) to the Indian Constitution have served as a breakthrough towards ensuring equal access and increased participation in political power structure for women. The Panchayatiraj institutions will play a central role in the process of enhancing women's participation in public life. The local self Governments will be actively involved in the implementation and execution of the National Policy for Women at the grassroots level.

The objective, therefore, of the Government is to initiate and accelerate action to improve access to and control of resources by women so that they can take their rightful place in the mainstream of the nation's social, political and economic life.

**Reserve Bank of India**

Women units are very often too tiny in size. Institutions are reluctant to attend loans for very small amounts and demand collateral securities three or four times of the loan amount. Women having no sufficient securities to offer or not to take large amounts of
loans do not get the attention of these institutions. To tackle this situation and to ensure adequate financial support to women enterprises the RBI took several initiatives.

The RBI in its action plan for 2001 provided special programmes and strategies for facilitating assistance to women in the entrepreneurial sector and to attract more to this sector. For strengthening credit delivery to women particularly in the Tiny and SSI sector, RBI issued directions and an action plan to all the public sector banks. (RPCD. PLNFS. BC. No 40/06.02.79/2000-01. Dated December 12, 2000)

**Action Plan for Strengthening Delivery of Credit to Women**

For strengthening credit delivery to women particularly in the Tiny and SSI sector, RBI issued directions and an action plan to all the public sector banks. The action plan consists the following points:

1. **Redefining of Banks’ policies / Long term plans**
   
   (i) Banks should redefine its policies by taking into account women’s requirements in a focused and integrated manner.

   (ii) Banks should have a Charter for women, which must be published.

   (iii) Banks must ensure that the benefits under various poverty alleviation and employment promotion schemes go to the women in the prescribed ratio.

2. **Setting up women cells**

   (i) Women’s cells should be set up at the banks’ head office as well as in their regional offices where information,
counselling/guidance and other credit related services for women entrepreneurs are readily available.

(ii) At the branch level, or clusters of branches in rural areas, the bank should have a desk visibly placed in order to provide women with relevant information and guide/assist them in making loan applications etc. As far as possible a well-trained lady staff member particularly in rural areas should handle the desk.

(iii) Special attention should be given to women in every branch. One officer in each branch should be designated exclusively for dealing with cases of flow of credit to women. Banks should have a target for covering at least 20 women per branch for lending and 20 for training.

(3) Simplification of procedural formalities

The application forms, appraisal standards and other procedural requirements for extending finance to women entrepreneurs should be simplified as far as possible. Banks should ensure that the managerial staffs assist women entrepreneurs in understanding the banks' procedural formalities in a simple manner. They should also give assistance in the preparation of project reports and completion of other paper work.

(4) Orientation of Bank officers/staff on gender concerns/credit requirements of women

(i) Banks should take appropriate measures to ensure that the branch level functionaries do not have traditional bias of preferring men to women in financing. For this purpose the bank staff should be oriented through short term training programmes in which a special component on gender concerns can be incorporated.
(ii) Banks should also organise workshops of two-three days duration for its branch managers/staff on different aspects of handling credit requirements of women. Banks should also invite members of Non-Government Organisations (NGOs) or women social workers to these workshops for active interaction so that the problems being faced by the women entrepreneurs could be better understood by bank staff in an informal manner.

(5) Publicity campaign for creating awareness about credit facilities

(i) Banks should launch Awareness Programmes/Publicity Campaigns about schemes available for women. Attractive publicity material such as posters, charts, can be specially designed in a simple manner so that women are able to understand it easily. The publicity material should be available in different languages and should be widely distributed particularly in rural and semi-urban areas. Gender concerns should also be addressed through publicity material viz. slogans on hoardings/bus shelters etc.

(ii) For the large numbers of illiterate and semi-literate women, particularly in the rural and semi-urban areas, the banks should make efforts to inform them through audio-visual methods/slides and charts about the different schemes under which finance is available. Banks should establish contact with the Village Panchayats to seek their assistance in dissemination/distribution of information material to women in the village and for delivery of credit to identified women.

(iii) Banks can also explore the possibility of using the local radio and the television network for disseminating information to women in the farthest corners of the country.
(iv) Banks should interact with schools/colleges/universities for publicising schemes and programmes for women.

(v) In the present computer age, banks should make use of creating web-sites through which wider publicity could be given about various schemes/credit facilities available with the bank for women entrepreneurs. This would help all sections of the society to have easy access to such information particularly the young, educated urban women who are using computers.

(6) Entrepreneurship Development Programmes/Training facilities for Women

(i) Banks should organise entrepreneurship development programmes exclusively for women entrepreneurs. For this purpose the banks can contact various Entrepreneurship Development Institutes in the country and develop appropriate programmes for women in the urban and rural areas.

(ii) Banks should finance training courses for women, particularly in the area of information technology.

(7) Specialised branches for women

Banks should make concerted efforts to open specialised branches in identified areas for financing women entrepreneurs on the lines of 881 branches or Agricultural Finance branches. The specialised branches should cater exclusively and at least predominantly to the requirements of women entrepreneurs in an integrated manner.

(8) Motivational strategies to enthuse bank officials/staff

Banks should use motivational strategies to enthuse their managers/staff to achieve targets for women. Their work in this
area should be given appropriate recognition. Banks can give annual awards to the 3 best performing branches in achieving targets plus providing credit related services to women.

(9) Monitoring system

A monitoring system should be in place for submitting regular reports on the credit flow to women. It should be an item on the calendar for Review being submitted to the Board of Directors of the bank. RBI should also monitor and give suitable directions to banks from time to time.

(10) Data collection

Separate data about credit flow to women is not presently available. Data should be generated by banks and quarterly reports submitted to RBI who should process the information and create a separate database for women. Data for women should be collected separately for amounts advanced through micro-credit, credit to small scale

(11) Strengthening of existing schemes

(i) There should be greater interaction between NABARD/SIDBI and banks. Existing schemes and programmes being implemented by them should be further strengthened both in terms of coverage as well as volume of credit. Other facilities offered under these schemes

(ii) There is no direct alliance between SIDBI and banks. SIDBI should explore the possibility of having a tie-up with banks for women's schemes.
(12) Increasing the limit for non-obtention of collateral security

(i) Banks insistence on collateral/securities is a major impediment in borrowing by women. Banks should therefore implement the recent measures taken by Government /RBI for increasing the limit for non-obtention of collateral security from Rs.1 lakh to Rs.5 lakh. Banks may also consider whether loans beyond Rs.5 lakhs i.e. at least up to Rs.10 lakhs could be offered without collateral.

(ii) Banks should encourage women entrepreneurs to avail 'loans on liberal terms like minimum margin money. The promoters' contribution could be lowered from 25 per cent to 10-15 per cent.

13) Involving NGOs/SHGs/Women's Cooperatives

(i) Non-government organisations (NGOs) are playing a crucial role in reaching out to women even in the remotest regions. A large number of well known NGOs are operating throughout the country. In many areas smaller NGOs are also working at the grass roots level. Banks can establish contacts with the local NGOs and liaise with them to identify the needs of women and give credit related information and guidance services.

(ii) Financial institutions viz. NABARD and SiDBI are already involving the Women's self help groups for reaching out to women entrepreneurs. Banks can also take initiative in working out viable strategies to work with more Self Help Groups (SHGs) and women's cooperatives and fix a yearly target for lending to SHGs.

14) Mahila Rural Co-operative Banks

Mahila Rural Cooperative Banks on the lines of Mahila Urban Cooperative banks should be set up for assisting women in the sem-
urban and rural areas. RBI may issue licenses for such banks liberally.

SUPPORTIVE MEASURES OF THE STATE GOVERNMENT

To overcome the obstacles in the process of women empowerment, the governments at the centre and states provide preferential treatment to women in finding them employment in the organised sector and also in encouraging, equipping and facilitating them to start own units. Various schemes, incentives and facilities made available to registered women entrepreneurs by State and Central governments are listed in the following paragraphs.

The government provides following subsidies and incentives:-

1. Subsidy for Technical know how & Feasibility Reports
2. Development Plots / Development Areas/ Mini Industrial Estates
3. Incentives for quality Certification
4. Margin Money Loan
5. Margin Money loan for Non resident Keralites
6. National Equity Fund Scheme (NEF)
7. State Investment Subsidy offered to
   a. All new units, tiny, small, medium or large units, included under thrust sectors are eligible for investment subsidy @ 15 per cent of fixed capital investment subject to a ceiling of Rs. 15 lakhs
b. All new units in the non-thrust sectors shall be eligible for investment subsidy @ 10 per cent of fixed capital investment subject to a ceiling of Rs.5 lakhs.

c. In the case of industrial units set up in iduki, Wynad and notified industrial areas like industrial growth centres and industrial park the eligible subsidy shall be 10 per cent of fixed capital investment subject to a ceiling of Rs.10 lakhs and all thrust sector units shall be given investment subsidy of 25 per cent of fixed capital investment subject to ceiling of Rs.25 lakhs.

d. The investment subsidy for IT industries will be 20 per cent of fixed capital investment subject to ceiling of Rs.25 lakhs.

e. An additional investment subsidy of 5 per cent of the value of fixed capital investment will be provided for tiny and SSI units promoted by entrepreneurs belonging to (a) Women, (b) Scheduled caste and Scheduled tribe, (c) Physically handicapped persons, and (d) Ex-servicemen. The subsidy is limited to 5 per cent of fixed capital investment subject to a ceiling of Rs.1 lakh.

f. For new generators and equipment for renewable source of energy for captive power an additional investment subsidy will be provided @15 per cent of the cost of investment subject to a limit of Rs.5 lakhs.

g. Additional subsidy of 10 per cent subject to a maximum of Rs.25000 will be given for installation of pollution control devices in diesel generators.
h. For mini and micro hydro electric projects set up for generating power for industrial units

i. Investment subsidy will be 15 per cent of the total cost subject to a limit of Rs. 15 lakhs.

8. State Investment subsidy for Information Technology

9. Loan to SC/ST Entrepreneurs

10. Credit Linked Capital Subsidy scheme for Upgradation of Technology

11. Rural Artisans Programme (RAP)

12. Prime Minister’s Rozgar Yojana (PMRY)

13. Sworn Jayanti Shahari Rozgar Yojana (SJSRY)

14. Swarna Jayanthi Gram Swarozgar Yojana Scheme (SGSY)

The Scheme was launched in 1st April 1999 by merging three existing self-employment schemes viz. (i) Development of Women and Children in Rural Areas (DWCRA), (ii) Integrated Rural Development program (IRDP) and (iii) Training of Rural Youth for Self Employment (TRYSEM. It is a holistic credit-cum-subsidy program, covering all aspects of self-employment. The stipulated 40 per cent reservation for women will be implemented through the Panchayat samitis (local self-government).

15. Income Tax Exemption

16. Sales Tax exemption

• Fully exempted from sales tax for 7 years for units started after 23-9-1991. Maximum amount of exemption
limited to 100 per cent of fixed capital investment. Existing units are also eligible for exemption up to 100 per cent of additional investment on plant and machinery for expansion.

- SSI units are taxed at 4 per cent for their sales to Government departments, departmental undertakings, and public sector units.

- SSI units are taxed at 4 per cent for sale of their products up to Rs.50 lakhs per annum.

- Small Scale units are eligible for concessional rate of tax for purchase of Raw materials, components, sub assemblies, packing materials etc.

- Small Scale Industrial units producing rubber products are allowed the concessional rate four percent for two years

- SSI units need not pay sales tax on sale of education sector products.

17. Incentive for Growth scheme

18. General Excise Exemption

19. Credit Guarantee Fund Scheme (CGFSI)

20. Priority in getting power Connection

21. Marketing Support and Price preference

22. Sick Units Revival Programme (SURP)
SPECIAL ASSISTANCE FOR WOMEN ENTERPRISES

The incentives said above are offered to all entrepreneurs including women. The Government of Kerala has focus on promoting entrepreneurship among women through its successive policies and schemes. As a part of vigorous attempts for the development of entrepreneurship among women the state

Government declared a special package programme called Women Industries programme. (WIP) in 1978-79. Considering the most prominent disadvantage of women, lack of access to and control over resources, this is a scheme for providing grant-in-aid to women to start their own industrial unit.

Kerala is the forerunner in providing special consideration and assistance for attracting women into the entrepreneurial arena. The higher rate of literacy and high level of education among women are congenial for the growth of entrepreneurship among women. Specialised institutions and special programmes provide strong support for the development of women entrepreneurship in the state.

For the purpose of this scheme a women industrial unit is defined as “a small Scale Industrial unit / industry related service of business enterprise, managed by one or more women entrepreneurs in proprietary concerns, or in which she/they individually have a share capital of not less than 51 per cent as partners/share holders/directors of private limited company/ members of co-operating society and with not less than 80 per cent women employees. The units, which commenced operation on or after 9-11-1978 and got permanent registration, are eligible to submit their application for inclusion under WIP.
The schedule below shows the special assistance offered by the government under WIP scheme.

### Special Assistances under Women Industries Programme

<table>
<thead>
<tr>
<th>Item</th>
<th>Rate</th>
<th>Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Machinery and equipment</td>
<td>50 per cent of the cost of machinery or Rs. 75000/- which ever is less</td>
<td></td>
</tr>
<tr>
<td>B. Workshop/Building Grant</td>
<td>50 per cent of the cost of construction or Rs. 50000/- which ever is less</td>
<td>For four years</td>
</tr>
<tr>
<td>C. Rent of building</td>
<td>Rs. 750/- per month or the rent actually paid whichever is less</td>
<td>First year 100 per cent of the agreed rent</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Second year 75 per cent</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Third year 50 per cent</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fourth year 25 per cent</td>
</tr>
<tr>
<td>D. Building purchase charge in mini industrial estate will be given on grant to a maximum of Rs. 25000/-</td>
<td>For four years</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>First year 100</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Second year 75 per cent</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Third year 50 per cent</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fourth year 25 per cent</td>
</tr>
<tr>
<td>E Salaries of the functionaries</td>
<td>A tapering grant to the extent of Rs. 750/- per month or salary actually paid</td>
<td>For four years</td>
</tr>
<tr>
<td></td>
<td></td>
<td>First year 100</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Second year 75 per cent</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Third year 50 per cent</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fourth year 25 per cent</td>
</tr>
<tr>
<td>F. Stipend to trainees</td>
<td>Rs. 500/- per month per trainee</td>
<td></td>
</tr>
</tbody>
</table>
Special assistance under Women Industries Programme include:-(a) Investment subsidy at the rate of 50 per cent (up to Rs. 75,000) of the investment on machinery and Equipments, (b) Building subsidy at the rate of 50 per cent (up to Rs. 50,000b) Building subsidy at the rate of 50 per cent (up to Rs. 50,000) on cost of workshop building, (c) Rent of building up to Rs. 750 per month, (d) Subsidy at the rate of 50 per cent of the cost of Building purchased under hire purchase scheme to a maximum of Rs.25,000/ (e) Tapering grant for salaries of the functionaries at Rs. 750 per month and (f) Stipend to trainees at Rs. 500 per month.

INSTITUTIONAL SUPPORT

A network of organisations is there in the state, which provides loan facilities as well as training, consultancy, and marketing services to the women entrepreneurs. Appendix-II provides a list of institutions and organisations functioning at different levels for the development of Women Entrepreneurship. Following are the most prominent institutions and the important services rendered by them.

A. FINANCIAL ASSISTANCES

The following institutions are functioning in the state for providing financial assistance to women entrepreneurs.

1. Kerala State Women’s Development Corporation (KSWDC)
2. Small Industries Development bank of India (SIDBI)
3. The National Small Industries Corporation Ltd. (NSIC)
4. Khadi & Village Industries Commission (KVIC)
5. Kerala Khadi and Village Industries board (KKVIB)
6. National Bank For Agricultural And Rural Development (NABARD)
7. Kerala Financial Corporation (KFC)
8. Kerala State Development Corporation For SC/ST Ltd.
9. Kerala Small Industries Development Corporation Ltd. (SIDCO)
10. Coconut Development Board
11. Bank Of India
12. State Bank Of India

**B. CONSULTANCY SERVICES**

Lack of access to information is a major barrier of the Small scale sector especially of the women entrepreneurs. In the initial stage of formation of a unit the most important problems are identification of a feasible and viable project, selection of the suitable technology etc. The following institutions are engaged with guidance and consultancy services to the Small sector in the State.

1. Kerala Industrial and Technical Consultancy Organisation (KITCO)
2. Kerala State Electronics Development Corporation (KELTRON)
3. Coconut Development Board
4. The Rubber Board
C. ENTREPRENEURSHIP DEVELOPMENT AND TRAINING

The State enjoys the credit for high rate of female literacy and female development index in the country. Even though the development index of women in the state is comparable to that of developed countries their participation in the entrepreneurial scenario is very low (about 17 per cent).

With the objective of promoting women entrepreneurship a number of institutions are functioning in the State to impart awareness on opportunities and to provide skill based training to women.

1. District Industries Centres (DICs)
2. Centre For Management Development (CMD)
3. Kerala State Women Development Corporation (KSWDC)
4. Khadi And Village industries commission (KVIC)
5. Kerala State Electronics Development Corporation Ltd. (Keltron)
6. Rubber Board
7. The Kerala State Development Corporation for Scheduled Caste and Scheduled Tribes.
8. Science And Technical Entrepreneurship Development Programme (STED)
10. Small Industries Development Organisation (SIDO)
11. Small Industries Service Institute (SISI)
D. ASSISTANCE FOR MARKETING

Success of any manufacturing enterprise will depend on its ability to market its products. One of the major barriers in the operation of women enterprises is marketing outlet. Marketing is considered as the most important entrepreneurial function based on which the entire success of the enterprise will be determined. A brief sketch of the organisational support for marketing the products of women enterprises is given in the following paragraphs.

1. National Bank For Agriculture And Rural Development (NABARD)

2. Kerala Small Industries Development Corporation Ltd. (Kerala SIDCO)


Kerala SIDCO has several schemes for the marketing of products produced in the SSI sector. It has launched a special scheme for the marketing of products produced in the Community Development Societies with special preference for products produced by women enterprises. SIDCO collect quality products from CDS units and marketing them to the end consumers.

SIDCO on behalf of the Small Scale Industrial units in the state will participate in tenders floated by Central and State government departments and organisations.

E. INFRASTRUCTURE

State provides special care for the development of infrastructure for the development of women enterprises. The efforts of the state in this direction are supplemented by the Central scheme called “Integrated infrastructure development” (IID).
National Programme for Rural industrialisation (NPRID) is another Central Govt. Scheme to set up Industrial clusters in Rural and backward areas.

1. Kerala Infrastructure Development Corporation (KINFRA)-

It was set up in 19993 with the prime responsibility for the development of industrial Infrastructure in the State. KINFRA develop Industrial Zones, Townships, and Parks so as to provide all ingredients and facilities for the setting up of industrial unit in specific sectors.

2. Industrial parks

KINFRA is developing sector and industry specific 'parks' based on the availability of raw material and other resources in the region. World class infrastructure facilities and ready made manufacturing environment are provided in these industrial parks. Industrial parks enable easy set up of units with minimum time and cost.

3. Industrial parks for Small scale Sectors.

Under the IID scheme, KINFRA provide Small Industries Parks exclusively for Small scale Industries.

2. Small Scale industries Development Corporation (Kerala SIDCO)

It is the nodal agency for the development of small scale industries in the state. It is in charge implementing the scheme of one industrial park in each. It is entrusted with the responsibly
for the allotment of industrial sheds and spaces for setting up of units in mini Industrial Estates, Industrial Estates.

3. Women Entrepreneurs Development Cells (WEDC)

District Industries Centres, Department of industries and Commerce, Rural Banks, and Small Industries Service Institute have separate Women Entrepreneurship Development Cell. The chief objectives of the cell is the motivation of women entrepreneurs by extending all kinds of support and assistance, information and advice, technology and finance, supply of raw materials and marketing of finished goods etc.

NATURE AND EFFICACY OF INSTITUTIONAL ASSISTANCE

The network of institutions established under the auspicious of government to support women entrepreneurs in the state shows that a number of institutions are functioning with the same objective and to be served the same target group. This multiplicity of institutions does not help women to better their performance. Even though institutions have been developed for assistance in technological upgradation, consultancy, training, marketing etc. survey revealed that assistance provided by the institutions has been limited to financial assistance and training at the time of promotion of the unit. Table 4.1 shows the institutional support availed by entrepreneurs in the sample.

Table 4.1 shows the nature of governmental and institutional support availed by women entrepreneurs in the state. Out of 330 units in the sample, 82 units (25 per cent) did not receive any assistance but waiting for monetary incentives offered by the government. All the remaining 248 units (75 per cent) had received financial assistance from the government. Subsidy, tax relieves and
incentives are the main financial benefits availed by the entrepreneurs.

Table 4.1
Institutional Assistance Received By Women Entrepreneurs

<table>
<thead>
<tr>
<th>Type of assistance received</th>
<th>No of units</th>
<th>per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial</td>
<td>248</td>
<td>75.15</td>
</tr>
<tr>
<td>Training</td>
<td>202</td>
<td>61.21</td>
</tr>
<tr>
<td>Marketing</td>
<td>25</td>
<td>7.57</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>20</td>
<td>6.06</td>
</tr>
<tr>
<td>Consultancy</td>
<td>13</td>
<td>3.94</td>
</tr>
<tr>
<td>Technology</td>
<td>12</td>
<td>3.64</td>
</tr>
<tr>
<td>No Assistance availed</td>
<td>82</td>
<td>24.85</td>
</tr>
</tbody>
</table>

Source: Survey data

Entrepreneurial Training and Development Programmes

There is a net work consist of about eighty different institutions functioning in the state for providing entrepreneurial training to entrepreneurs. Special training programmes are conducted by these agencies and trainees are given special stipend to attract them to the programme. Table 4.2 shows the distribution of entrepreneurs attended Entrepreneurial Development and Training programmes and their opinion on such training.
As revealed by the table 4.2 out of 330 sampled units, 202 (61.21 per cent) entrepreneurs have attended Training programmes conducted by State sponsored institutions. Out of the 202 entrepreneurs attended training, 24.26 per cent found that the programme was highly beneficial. When 57 out of 202 (28.22 per cent) entrepreneurs experienced the training as not beneficial, 96 entrepreneurs (47.52 per cent) experienced the programmes were useful and beneficial.

Table 4.2
Opinion of the Entrepreneurs about the training programmes

<table>
<thead>
<tr>
<th>Status of EDP/Training</th>
<th>Opinion on Training</th>
<th>No of entrepreneurs</th>
<th>Percentage To sub total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trained</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Highly beneficial</td>
<td>49</td>
<td>24.26</td>
<td></td>
</tr>
<tr>
<td>Beneficial</td>
<td>96</td>
<td>47.52</td>
<td></td>
</tr>
<tr>
<td>Not beneficial</td>
<td>57</td>
<td>28.22</td>
<td></td>
</tr>
<tr>
<td>Total (Trained)</td>
<td>202 (61.21)</td>
<td>100.00</td>
<td></td>
</tr>
<tr>
<td>Untrained</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>128 (38.79)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>330 (100.00)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Survey data

Note: Figures in brackets show percentage to grand total
Among the sampled entrepreneurs, 202 entrepreneurs 61 per cent have attended training programmes. Even though Marketing is one of the major problems, of women enterprises only 25 units (8 per cent) received some kind of assistance for marketing their product, 12 units obtained technical advice and assistance, 20 units (6 per cent) took advantage of infrastructure facilities and 13 units (4 per cent) received consultancy services provided by institutions in the government sector. Majority of the units (75.15 per cent) have enjoyed assistance provided by the state but the assistances were mainly confined to financial assistance.

Table 4.3

Distribution of entrepreneurs did not participate in EDPs

<table>
<thead>
<tr>
<th>Reason for not attending</th>
<th>No of units</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not aware about the programme</td>
<td>28</td>
<td>21.71</td>
</tr>
<tr>
<td>It was not compulsory</td>
<td>61</td>
<td>47.29</td>
</tr>
<tr>
<td>Believed that they are not beneficial</td>
<td>23</td>
<td>18.60</td>
</tr>
<tr>
<td>Did not get a chance</td>
<td>16</td>
<td>12.40</td>
</tr>
<tr>
<td>Total</td>
<td>128</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Source: Survey data.

Majority of the sampled entrepreneurs attended EDPs before they start the unit. The entrepreneurs who did not participate in
the training programme had different reasons for their non-participation. Table 4.3 shows the reasons for non-participation of entrepreneurs in EDPs. As shown in the table above out of the 128 entrepreneurs who did not participate in any training, 21.71 per cent did not aware about the program. Majority of them i.e. 61 entrepreneurs (47.29 per cent) did not participate in the training programme because it was not compulsory.

As revealed in the table, when 16 entrepreneurs did not get a chance, another 24 (18.60 per cent) were unwilling to participate on the understanding that such programmes are not beneficial at all. It is seen that the majority of the women entrepreneurs attended because attending such programme was compulsory for getting the benefits under any scheme offered by the Government.

It is found that lack of awareness about the programme or about the benefit of the programme is a prominent reason for not attending any training programme by the entrepreneurs. This shed light on the limitations of existing policies and shows the need for proper propagation of the EDPs.

**Difficulties experienced in getting government assistance**

During the study it was observed that the entrepreneurs had to met with various difficulties in obtaining assistance offered by the government. Most of them had the complaint on delay and apathy of the officials. Lack of transparency in formalities and unawareness of the details of schemes and programmes were the major causes for such difficulties.

Table 4.4 presents the difficulties experienced by entrepreneurs in obtaining governmental assistance.
### Table 4.4

Distribution of units experienced difficulties in getting Assistance and nature of difficulties

<table>
<thead>
<tr>
<th>Description</th>
<th>Total units</th>
<th>Percentage to subtotals</th>
</tr>
</thead>
<tbody>
<tr>
<td>No benefits availed</td>
<td>82</td>
<td>24.85</td>
</tr>
<tr>
<td>Units availed benefits</td>
<td>248</td>
<td>75.15</td>
</tr>
<tr>
<td>No difficulties experienced</td>
<td>97</td>
<td>38.96</td>
</tr>
<tr>
<td>Experienced difficulties</td>
<td>152</td>
<td>61.04</td>
</tr>
</tbody>
</table>

**Nature of difficulties**

1. Formalities                | 126         | 82.89                   |
2. Corruption of officials     | 89          | 58.55                   |
3. Delay in getting assistance | 112         | 73.68                   |
4. Apathy of department staff  | 103         | 67.76                   |

| Total units experienced difficulties | 152         | 100.00                   |

Source: Survey data.

As seen in the table Out of 330 sampled 248 units (75.15 per cent) obtained benefits of governmental schemes and programmes. While 97 units (38.96 per cent) out 248 units did not experience any difficulty to get these benefits, 152 units i.e. 61.04 percent of those who received the benefits had to face different problems.
Complicated formalities (82.89 per cent) and Delay in getting the benefits (73.68 per cent) were the main complaints. Even formalities are to be strictly followed to avoid corruption and misuse, respondents remarked, lack of transparency and unawareness of formalities lead to delay and corruption.

As per the Table 4.4 above out of the 152 entrepreneurs, who experienced difficulties, 58.55 per cent (89 entrepreneurs) had the complaint on corruption of officials at different levels. Another 103 entrepreneurs (67.76 per cent) had to face difficulties to obtain benefits because of the apathetic attitude of department officials from whom they expected supportive guidelines. Majority of the entrepreneurs had experienced difficulties in obtaining the assistance offered by the government. It is found that most of the difficulties were due to their unawareness on programmes and lack of transparency in formalities.

**Awareness of entrepreneurs on Governmental Measures and Institutional Support**

Success of any programme will depend upon the level it has reached the target group. Awareness is a precondition for availing. Many of the schemes do not reach the target groups because of the unawareness of details. Table 4.5 shows the level of awareness of respondents.

Lack of transparency in procedures causes unnecessary confusions and Knowledge (Information) of environment and opportunities improve competitiveness. In Kerala unfortunately most of the women entrepreneurs are found not aware on these aspects. Exhibit-7 shows the level of awareness of women entrepreneurs about supportive measures provided by the Government.
Entrepreneurs' awareness on governmental schemes

- Fully aware: 21%
- Not fully aware: 25%
- Not aware: 54%

[Diagram showing percentage distribution of awareness levels]
Table 4.5

Awareness of entrepreneurs about governmental support / programmes

<table>
<thead>
<tr>
<th>Level of awareness</th>
<th>No of Units</th>
<th>per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aware</td>
<td>71</td>
<td>21.52</td>
</tr>
<tr>
<td>Not aware</td>
<td>83</td>
<td>25.15</td>
</tr>
<tr>
<td>Not Fully aware</td>
<td>176</td>
<td>53.33</td>
</tr>
<tr>
<td>Total</td>
<td>330</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Source: Primary data

Out of the 330 respondents only 71 (21.52 per cent) units were aware about different schemes of the government designed to assist women entrepreneurs. In the sample 83 (25.18 per cent) persons were absolutely unaware about various schemes of the government. Majority of the entrepreneurs 176 out of 330 (53.33 per cent) had came to know that the government have several schemes and has sponsored various institutions to assist the women but they are not fully aware about the details of such programmes.

It is found that though government has sponsored several programmes for the development of entrepreneurship among women, for majority of the entrepreneurs the state assistance is limited to a marginal amount of financial assistance. A Major reason for poor response to State sponsored programmes seem to be the lack of awareness.
Sustainability of women enterprises and Governmental support

It is true that the Government has several programmes for the support of small entrepreneurs in general and women entrepreneurs in particular. As seen above most of the government measures are aimed at providing financial assistance to promote new enterprises.

Majority of the Women entrepreneurs has availed the financial assistance offered to them. If these units could not sustain that will lead to block of resources as well as futile deployment of the exchequer.

Table 4.6

Distribution of units received state assistance and sustainability

<table>
<thead>
<tr>
<th>Description</th>
<th>Sustainable</th>
<th>Unsustainable</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Units</td>
<td>percent</td>
<td>Units</td>
</tr>
<tr>
<td>Assurances received</td>
<td>104</td>
<td>41.94</td>
<td>144</td>
</tr>
<tr>
<td>No assistance received</td>
<td>31</td>
<td>37.80</td>
<td>51</td>
</tr>
<tr>
<td>Total</td>
<td>135</td>
<td>40.91</td>
<td>195</td>
</tr>
</tbody>
</table>

Source: Survey data

The result of Chi square test:

Calculated value of Chi-square = 0.50957, Table value = 3.841455
For d.f= 1 at 0.05 level of significance, shows that the difference is not significant
In this context it will be imperative to examine the efficacy of governmental assistance to support the sustainability of women sector. As clear from the table out of 330 units, 248 units have received State assistances. Among them 104 units (41.94 percent) were found sustainable while 144 units (58.06 per cent) were found not sustainable. When out of 82 units who did not receive any assistance 31 units (37.8 per cent) were found sustainable, the remaining 51 units (62.2 per cent) found unsustainable.

Hence in terms of absolute figures those who received assistance found more sustainable. However, on statistical analysis it was proved this difference was not significant. The null hypothesis "There is no significant difference in the rate of sustainability between entrepreneurs received and not received governmental assistance." has been tested and statistically proved.

Awareness and opinion of women entrepreneurs on new economic policy

As a part of economic reforms Government of India had initiated many programmes to assist the small-scale sector. At the same time opening of the door for global market and withdrawal of protections to the small scale sector has paused so many threats and challenges to the Small business Units. The governmental measures were claimed at improving the competency of the small scale sector and equip them to compete in the global market. However the study shows that the economic reforms and globalisation did not make any impact in the women sector. Table 4.7 shows the opinion of entrepreneurs.
Table 4.7

Opinion of Entrepreneurs about the impact of liberalisation and globalisation

<table>
<thead>
<tr>
<th>Opinion of Entrepreneurs</th>
<th>Units</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offer more opportunities (Conducive)</td>
<td>26</td>
<td>7.87</td>
</tr>
<tr>
<td>Has more negative impacts (detrimental)</td>
<td>74</td>
<td>22.43</td>
</tr>
<tr>
<td>No significant impact (Neutral)</td>
<td>52</td>
<td>15.76</td>
</tr>
<tr>
<td>Don't know</td>
<td>178</td>
<td>53.94</td>
</tr>
<tr>
<td>Total</td>
<td>330</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Source: survey data/

As revealed by the table, out of the 330 respondents, only 26 (7.87 Per cent) believed that Globalisation is helpful and opened new opportunities for survival and growth of their units. But 74 respondents had the opinion that the reformations and Globalisation is detrimental to the survival of small scale sector. But 15.76 Per cent (52 units) of the sampled entrepreneurs did not experience any significant impact on their field of activity.

It is found that Majority of the sampled entrepreneurs (178 ie. 53.94 Per cent) frankly told that they do not know the details of reforms and the impacts of globalisation. It is found that majority of the entrepreneurs are not fully aware about the details of new economic policies and the impacts of globalisation on their business.

On analysis of the efficacy of supportive measures and policies it is found that:
- State support measures are mainly of financial assistance designed to promote new units and Majority of the women units have availed these facilities.

- The state assistance was found beneficial to entrepreneurs. But it was found not sufficient as it is statistically proved that there is no significant difference in the sustainability of entrepreneurs who have availed assistance.

- It is found that the existing system of state assistance is not sufficient to support sustainability of women enterprises.

The above paragraphs sufficiently persuade the vigorous attempts of Governments (both at Centre and State) to protect and promote women entrepreneurship. However the multiplicity of institutions and lack of transparency / complicate procedures in departmental dealings are barriers in the implementation of various schemes of the government.

Governmental efforts are mainly directed towards the promotion of new units. It found that there is the need for proper consideration for improving sustainability as well. The bureaucrats always hold the cards close to their chest. Lack of information, procedural complications and inherent nature of laziness set the schemes back in implementation. There is no proper agency for the co-ordination of governmental activities and to integrate with NGO activities.

Planned and systematic efforts and policies are yet to be started in the State not only to face the negative implications of liberalisation and globalisation but also to tap all the possible opportunities.