

Progress and Implementation of Udyogini Scheme in Karnataka – A Study



Economics

KEYWORDS : Empowerment, Development, Achievement and Credits

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ABSTRACT

Economic empowerment is the foremost and basic component in the overall development of women. Women's economic empowerment is absolutely essential for raising their status, expected to show a positive impact on women's control over resources and their participation in decision-making leading to her development in society. The ministry of rural areas and employment has several schemes for providing better opportunities for women through providing loans. Udyogini is truly an innovative scheme sanctioned by the Government of Karnataka in 1997-98 year only. In this background, the present study has been made an attempt to study the structure, organization and functioning of Udyogini scheme and to study the progress of Udyogini scheme in Karnataka. The study shows that the percentage of physical and financial achievements shows fluctuations

Introduction

Economic empowerment is the foremost and basic component in the overall development of women. Women's economic empowerment is absolutely essential for raising their status, expected to show a positive impact on women's control over resources and their participation in decision-making leading to her development in society. Soni and Jasprit Kaur (2006) in her study on women empowerment quotes Pandit Jawaharlal Nehru "Freedom depends on the economic conditions even more than political. If a woman is not economically free and self-earning, she will have to depend on her husband or someone else and dependents are never free."

Women are not only the carriers of human race but civilization and sustainable development rests on them. They are the best upholders of environmental, ecological, socioeconomic balances, yet a victim of man dominated patriarchal system, neglected in their day to day life, neither considered equal to man in wage or social status. Their role is silently appreciated without economic recognition, regard and accountability. Women comprise 50 per cent of the population, contribute 75 per cent of work hours, and receive 10 per cent of income and 1 per cent share in property (FAO).

Empowerment is a process that helps and assists women realize their identity, capacity, capability, strength and power and its application in day to day life in various spheres. Empowerment through economic interventions to increase women's economic status through employment, income generation and access to credit and Empowerment through integrated rural development programme in which strengthening women's economic status is only one component along with education, literacy, provision of basic needs and services.

Majority of the third world women are involved in the informal sector of economic activities in which they are disproportionately represented among the poorest of the poor. Rural woman's self employment in the informal sector is based on various types of activities like

- Farm based activities and allied activities.
- Home based production using nontraditional and acquired skill.
- Retail trading and services like flower and vegetable selling, garment making, catering, petty shops, retail business in paddy etc.

Majority of informal activities do not yield sufficient income to extricate women out of poverty. They lack capital, technical know-how, access to credit, market and materials as well as services necessary to expand or even to make marginal improvement in productivities and income. There are numerous government

schemes like IRDP (integrated rural development programme), DWCRA (development of women and children in rural areas), PRY (Prime Minister Rozgar Yojna) and DRI (differential interest rate scheme). The ministry of rural areas and employment has several schemes for providing better opportunities for women through providing loans. Out of the variety of ameliorative strategies proposed, to improve the income generating activities of women, provision of finance at reasonable rates on regular basis for women in the informal sector is the crucial one.

In recent years empowerment of women has been recognized as the central issue in determining the status of women. Several action plans have been initiated by the government which will translate the objective of empowering women into concrete action and measurable goals. Udyogini is among such novel schemes sanctioned by the government of Karnataka through Karnataka State Women Development Corporation (KSWDC), KSWDC especially for the economic empowerment of downtrodden and economically backward women folk of the state.

Balakrishna (2002) in his study on micro credit through cooperatives reported that women under the micro credit schemes were engaged in small business activities such as making and sale of idlies, sale of flowers, vegetables and running of tea stalls. Madheswaran and Dharmadhikary (1999) conducted the study of SHGs and they made an attempt analyze the impact of SHGs credit to rural women in Pune district of Maharashtra and found that micro credit was used to meet the current demands of rural women, such as health education, consumption purposes, etc. In this process they were ready to take on market oriented economic activities and through this they improved economically. Every scheme is designed with a very clear and focused objective. Udyogini is also not an exception in this regard. As mentioned earlier, the Udyogini was launched by the Government of Karnataka to have a direct impact on the social and economic empowerment of women. Udyogini scheme is in operation in the state for the last Nineteen years. In this background, the present study has been made an attempt to study the structure, organization and functioning of Udyogini scheme and to study the progress of Udyogini scheme in Karnataka. The present study is based on secondary data and data were collected from various sources like economic survey reports, journals and books.

Analysis and Discussion:

The Karnataka State Women's Development Corporation was established in the year 1987 under Companies Registration Act 1956 with an authorized share capital of Rs.10 crores in the beginning. This was raised to Rs.15 crores in the year 2002. The paid up capital of the Company is 12.34 crores, out of which Rs.2.84 crores has been provided by the Government of India and Rs.9.50 crores by the Government of Karnataka. KSWDC is a limited company by Shares Incorporated under the Companies

Act, 1956. The Karnataka State Women's Development Corporation was established for the purpose of social and economic upliftment of women and has, since then, been implementing various schemes benefitting women.

Udyogini is truly an innovative scheme sanctioned by the Government of Karnataka in 1997-98 year only. The scheme of Udyogini assists women in gaining self – reliance through self employment, especially in the trade and service sector also. The scheme of Udyogini empowers women by providing loans through Banks and subsidy through the Corporation for undertaking business activities/ micro enterprises also. The loans are arranged through financial institutions like Commercial banks, District Co – operative Banks and RRBs also. This scheme has gone a long way in preventing women entrepreneurs from private borrowing at higher rates of interest to the beneficiaries.

Implementation Process:

The Age limit for the beneficiary is 18 – 50 years to avail the benefit under this scheme only. The Family income limit to avail this benefit is Rs.25,000 per annum for general category women. No income limit is prescribed for women belonging to special category viz., S.C., S.T., widows, destitute and disabled women only. To undertake business activities under this scheme, the maximum fixed unit cost is Rs.50,000/-. The K.S.W.D.C provides a subsidy about 40% of the loan sanctioned or Rs.10,000/- whichever is less for special category viz., widows, destitutes, disable women and women belonging to SC/STs. In case of the general category women, the subsidy is 25% of the loan sanctioned or 7,500/- whichever is less for the scheme. The Loans are provided through the Banks and the subsidy part is provided through the corporation in the state.

Udyogini is designed to promote income generating activities by women and the same is encouraged through loans from banks and subsidies from KSWDC. For special category women, a subsidy of 30% of the project cost subject to a maximum of Rs. 10000 and for general category women, a subsidy of 20% of the project cost subject to a maximum of Rs.7500 is provided.

The Annual target and achievements of Udyogini Scheme in Karnataka State is depicted in the following table 1.

Table – 1: Progress of Udyogini scheme in Karnataka, (Rs. lakh)

Year	Target		Achievement		% of Achievement	
	Physical	Financial	Physical	Financial	Physical	Financial
2008-09	5002	5002	490.00	490.00	9.8	9.8
2009-10	5563	5530	495.00	460.50	8.9	8.3
2010-11	9600	7910	1000.00	821.05	10.4	10.4
2011-12	15518	1500	14488	1269.06	93.4	84.6
2012-13	9332	835	9742	941.18	104.4	112.7
2013-14	10500	935	10259	636.54	97.7	68.1
2014-15	11598	1030	11994	1030.00	103.4	100.0
2015-16	15000	1100	9057	825.00	60.4	75.0

* Upto December 2015.

Source: KSWDC, Bangalore.

Table 1 shows the details of the progress of Udyogini Scheme in Karnataka from 2008-09 to 2015-16. During 2008-09, Rs.5002 lakhs has been provided in the budget and Rs.490.00 lakhs has been spent covering 490.00 beneficiaries' under this scheme. It is proposed to cover 5002 beneficiaries under this scheme. During 2012-13, Rs.835 lakh has been provided in the budget and

Rs. 941.18 lakh has been spent covering 9742 beneficiaries'. It is proposed to cover 9,332 beneficiaries under this scheme during 2012-13. During 2015-16, Rs.1100.00 lakhs has been provided in the budget and Rs.825.00 lakhs has been spent covering 9057 beneficiaries' upto December 2015. It is proposed to cover 15000 beneficiaries under this scheme. The data indicate that during 15-16 physical target was 15000 and achievement was 1100 respectively. And the financial target was Rs. 825 lakhs, achievement was Rs. 9057 lakhs respectively. The percentage of physical and financial achievements shows fluctuations. During 2008-09 only 9.8 percent was achieved both physical and financial. But it decreased to 8.3 and 8.9 percent was achieved in physical and financial during the next year, i.e. 2009-10 respectively. Though, it increased to 112.7 and 104.4 percent in 2012-13 was achieved physical and financial respectively. One important observation is that the Board has incurred an expenditure of Rs. 51648 lakh completing 18698 works.

Summary and conclusion:

The study shows that the percentage of physical and financial achievements shows fluctuations. The data indicate that during 2015-16 physical target was 15000 and achievement was 1100 respectively. The overall goal of the scheme was to strengthen processes that promote economic development of women and create an environment for social change in the state of Karnataka and also particularly women development. An evaluation of the scheme by the Institute for Social & Economic Change has revealed that the scheme has been highly useful to women across different castes, classes, regions and demographic backgrounds. It is particularly true for women who were deserted by their husbands, for widows and physically handicapped women by providing them a source of independent livelihood.

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