

Udyogini Scheme

Details

Started in the year 1997-1998 (and amended in the year 2004-2005), Udyogini is an innovative scheme sanctioned by the Government of Karnataka to assist women in gaining self-reliance and economic independence through self-employment, mainly through trade and the service sector. It also provides for a subsidy on loans from the Karnataka State Women's Development Corporations for undertaking business activities/ micro enterprises through banks and other financial institutions. Loans are disbursed through financial institutions like commercial banks, district cooperative banks, and Regional Rural Banks (RRBs).

In absence of a structured credit system, women would take loans from private borrowers and end up paying a high rate of interest. Hence, there was felt a need to have in place formal channels of credit which are accessible to women. Profitable business activities are approved and supported under this scheme. They may be bookbinding and notebooks manufacturing, chalk and crayon manufacture, jam, jelly, pickles manufacture, papad manufacture, saree, and embroidery work, printing and dyeing of clothes, and woolen weaving, amongst others. Udyogini gives adequate opportunities to such women to help them be self-employed.

Benefits

- 1. For women belonging to the Scheduled caste and Scheduled tribe, the unit cost is a minimum ₹ 1,00,000 to a maximum of ₹ 3,00,000. The subsidy is 50% of the loan amount, income limit of the family should be below ₹ 2,00,000 per year.**
- 2. For women belonging to the special category and general category maximum unit cost is ₹ 3,00,000. Subsidy for special category women and for general category women is 30% or a maximum of ₹ 90,000/- . With EDP training for selected beneficiaries.**

Eligibility

- 1. The applicant should be a woman.**
- 2. The family income of the applicant should be less than ₹ 1,50,000/- for women belonging to general and special categories. No limit on family income for widowed or disabled women.**
- 3. The age of the applicant should be between 18 to 55 years for all categories.**
- 4. The applicant should be a permanent resident of Karnataka.**

5. The applicant should not have defaulted on any past loan with any financial institution.

Reservation / Preference / Priority

1. Preference must be given to the extremely poor, destitute, widow, and physically challenged.
2. In addition, preference may be given to candidates who have undergone prior skill development training or vocational training conducted by any KSWDC or any other department.
3. About 10% of the allocated target has been earmarked to benefit applicants of members of World Bank-assisted Swashakthi or Stree Shakthi groups.

Application Process

Offline

Step 1: The applicants can apply for loans online by visiting the official website of banks offering loans under the Udyogini scheme. CDPO examines applications and forwards them to Selection Committee after spot verification.

The selection committee examines and forwards to Banks to release the loan.

Step 2: The bank / KSFC officials will verify the documents and the project proposal and then process the loan application. Banks send a request letter to the Corporation for the release of subsidy, and the bank then releases the loan amount.

Step 3: Once the loan application is approved, the loan amount is disbursed to the applicant's bank account or directly to the supplier's account for the machinery, equipment, or any other capital expenditure.

Online

Step 1: To apply for a business loan, the applicant can visit the nearest bank with all the required documents and fill out an application form to proceed with bank formalities. The application forms are available in the offices of the Deputy Director/CDPO, and also on the official website of the banks offering loans. Alternatively, it can be downloaded from the website of the corporation www.kswdc.com.

Step 2: The completed application form along with the required documents has to be submitted to the nearest bank / KSFC branch. The bank / KSFC officials will

verify the documents and the project proposal and then process the loan application. Banks send a request letter to the Corporation for the release of subsidy, and the bank then releases the loan amount.

Step 3: Once the loan application is approved, the loan amount is disbursed to the applicant's bank account or directly to the supplier's account for the machinery, equipment, or any other capital expenditure.

Documents Required

- 1. Three passport-size photographs of the applicant.**
- 2. Certificate regarding training/experience of the activity under which the loan is sought.**
- 3. Detailed Project Report (DPR) of the activity for which financial assistance is sought.**
- 4. Ration Card / Voter ID Card.**
- 5. Annual Income Certificate of the Family.**
- 6. Caste Certificate (in case of SC/ST applicants).**
- 7. Quotations for Machinery, Equipment, and other Capital Expenses**