

Cent Kalyani Scheme: Empowering Women Entrepreneurs

The Cent Kalyani Scheme is a transformative initiative by the Central Bank of India designed to empower women entrepreneurs across the nation. This groundbreaking programme provides collateral-free loans of up to ₹1 Crore, specifically targeting women-led businesses in the manufacturing and service sectors. By offering comprehensive financial support that covers working capital, term loans, and bank guarantees, the scheme addresses one of the most significant barriers faced by women entrepreneurs—access to adequate funding without the burden of collateral requirements.

In a country where only 10.7% of firms have female ownership according to World Bank data, and where women's workforce participation has declined from 35% in 2005 to just 26% in 2018, this initiative represents a crucial step towards economic inclusion. Research indicates that reducing the gender gap in entrepreneurship could boost India's GDP by an impressive 6.8%, potentially adding \$0.7 trillion to the economy by 2025. The scheme not only promotes financial independence but also generates sustainable employment opportunities, fosters innovation, and supports India's broader women empowerment goals.

As Michelle Obama wisely stated, "No country can flourish if it stifles women's potential." The Cent Kalyani Scheme embodies this principle by removing funding barriers and creating pathways for women to establish and expand their businesses, ultimately contributing to India's journey towards achieving Sustainable Development Goals and economic prosperity.

Why This Scheme Is Critically Needed

The Gender Gap Challenge

Women entrepreneurs in India face significant systemic disadvantages that limit their economic participation. Currently, women represent only 13.6% of Indian entrepreneurs, reflecting deep-rooted cultural and structural barriers. India ranks 142 out of 149 countries in the World Economic Forum's Gender Gap Report, highlighting the urgent need for targeted interventions.

The challenges extend beyond mere numbers. Women entrepreneurs encounter limited access to credit facilities, inadequate resources, restricted professional networks, and persistent gender gaps in education and workforce participation. These barriers create a vicious cycle that prevents talented women from realising their entrepreneurial potential.

Economic Impact

The economic implications of this gender disparity are staggering. Research demonstrates that closing the entrepreneurship gender gap could increase India's GDP by 6.8%, translating to approximately \$0.7 trillion in additional economic value by 2025. This represents not just a moral imperative but a significant economic opportunity.

Women's workforce participation has witnessed a concerning decline, dropping from 35% in 2005 to merely 26% in 2018. This downward trend undermines India's economic potential and highlights the critical need for schemes like Cent Kalyani that actively work to reverse this trajectory through targeted financial support and empowerment initiatives.

13.6%

Women Entrepreneurs

Percentage of Indian entrepreneurs who are women

10.7%

Female Ownership

Firms with female ownership according to World Bank

6.8%

GDP Boost Potential

Potential GDP increase by closing gender gap

142

Global Ranking

India's rank out of 149 in WEF Gender Gap Report

Key Objectives and Benefits

The Cent Kalyani Scheme has been meticulously designed with clear objectives that align with India's broader economic and social development goals. The primary aim is to encourage women to start new businesses and expand existing enterprises by providing accessible, collateral-free financial support. The scheme seeks to generate controlled and sustainable employment opportunities, not just for the entrepreneurs themselves but for the communities they serve. By promoting innovation and inclusive economic growth, it directly supports India's commitment to women empowerment and economic development.



Loan up to ₹1 Crore

Substantial financial support without collateral requirements, enabling significant business investments and growth opportunities



Comprehensive Coverage

Support for term loans, overdraft facilities, working capital requirements, and bank guarantees—all under one scheme



Financial Concessions

Processing fees completely waived off with attractive concessions on interest rates, reducing the overall cost of borrowing



No Collateral Required

Eliminates the need for collateral or third-party guarantees, removing a major barrier for women entrepreneurs

These benefits work synergistically to create an enabling environment where women can focus on building their businesses rather than worrying about complex financial requirements. The waiver of processing fees and concessions on interest rates significantly reduce the financial burden, whilst the absence of collateral requirements ensures that women from all economic backgrounds can access this opportunity. This comprehensive approach addresses multiple pain points simultaneously, making entrepreneurship more accessible and sustainable for women across India.

Eligibility Criteria and Loan Details

Who Can Apply?

The Cent Kalyani Scheme welcomes a diverse range of women entrepreneurs and professionals. Both new and existing women entrepreneurs in manufacturing and service sectors are eligible to apply. This includes professionals such as doctors, chartered accountants, engineers, and designers who wish to establish or expand their practices.

Women who are self-employed in sectors like handloom, handicraft, food processing, beauty services, and transport are also eligible. The scheme particularly encourages applications from women in traditional crafts and emerging service sectors. However, it's important to note that retail trade businesses, educational institutions, and Self-Help Groups (SHGs) are not eligible under this scheme.

Loan Structure

Loan Limit: Up to ₹1 Crore, providing substantial capital for business establishment or expansion

Tenure: Flexible repayment period of up to 7 years, with a moratorium period of 6 to 12 months, allowing businesses time to stabilise before repayments begin

Margin Money: Borrowers need to contribute 20% of the project cost, ensuring skin in the game whilst keeping the barrier to entry reasonable

Collateral: Not required, eliminating one of the biggest obstacles for women entrepreneurs

01

Application Submission

Submit application form with required documents to Central Bank of India branch

02

Document Verification

Bank reviews identity, address, income proofs and business plan

03

Assessment & Approval

Evaluation of business viability and creditworthiness

04

Loan Disbursement

Funds released to start or expand your business venture



Important Note: This loan can only be processed through Central Bank of India branches. Ensure you approach the correct banking institution for your application.

Required Documentation

Proper documentation is essential for a smooth loan application process under the Cent Kalyani Scheme. The required documents vary slightly depending on whether you're applying as an individual entrepreneur or on behalf of a firm or company. Being well-prepared with all necessary paperwork can significantly expedite your application process and improve your chances of approval.



For Individual Applicants

- Completed application form with recent photographs
- Identity Proof: PAN Card, Aadhaar Card, Passport, or Driving Licence
- Residential Proof: Rent agreement, utility bills, or Aadhaar
- Income Proof: Bank statements for last 6 months, Income Tax Returns, loan NOC, and net worth details



For Firms & Companies

- Partnership Deed or Certificate of Incorporation
- PAN Card, address proof, and GST registration
- ROC filings and compliance documents
- Detailed project report and CMA (Credit Monitoring Arrangement) data
- Audit reports and Income Tax returns
- Bank statements and property/asset valuation reports

It's advisable to maintain organised records of all these documents and keep both physical and digital copies. Many applicants find it helpful to create a checklist and gather all documents before beginning the application process. If you're unsure about any documentation requirements, the Central Bank of India staff or organisations like Aatmnirbhar Sena can provide guidance and support throughout the application process. Remember that complete and accurate documentation not only speeds up processing but also demonstrates your professionalism and commitment to your business venture.

Support System and Path Forward

Role of Aatmnirbhar Sena

Aatmnirbhar Sena plays a vital role in making the Cent Kalyani Scheme accessible to women across India, particularly in rural and remote areas. This organisation provides comprehensive training and guidance for aspiring women entrepreneurs, helping them understand the scheme's benefits and navigate the application process.

Their work extends beyond mere awareness—they actively assist in business registration, expansion support, and connecting women with resources and networks. By working at the grassroots level, Aatmnirbhar Sena ensures that the scheme reaches women who need it most, helping to bridge the information gap that often prevents rural women from accessing government initiatives.

Conclusion

The Cent Kalyani Scheme represents a strong and decisive step towards women empowerment in India. By removing funding barriers and boosting financial independence, it creates real opportunities for women to become job creators rather than job seekers. The scheme encourages innovation, generates employment, and promotes inclusive economic growth.

This initiative is essential for India's journey towards achieving Sustainable Development Goals and economic prosperity. When women succeed in business, entire communities benefit through employment generation, economic activity, and social progress. The Cent Kalyani Scheme is not just about loans—it's about unlocking the immense potential of India's women entrepreneurs.

Financial Inclusion

Breaking down barriers to credit access for women entrepreneurs across all sectors

Economic Growth

Contributing to India's GDP through increased women's participation in business

Social Impact

Creating employment opportunities and empowering communities through women-led businesses

"No country can flourish if it stifles women's potential." — *Michelle Obama*
