

GROWTH AND PROSPECTS OF WOMEN ENTREPRENEURS IN INDIA

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Abstract:

Running a business is a challenge and a graver one for women. Despite their qualifications, expertise, and best efforts, women entrepreneurs struggle to expand their businesses and gain recognition as business owners more than their male counterparts. This is due to various reasons. According to a World Bank Report, only 7% of entrepreneurs in India are women, and most started a business out of obligation rather than aspiration. A fast-developing nation like India requires a strong female entrepreneurship index. Currently, India has more female-owned businesses than several other countries. Women own 13.5–15.7 million agribusinesses and MSMEs in India. Thanks to support from banks, governments, and institutions, women's entrepreneurship grew from 14 to 20% in the last decade. However, these figures are still far below the developed nations like the UK and the US and developing countries like Brazil, Russia, Nigeria, etc. Industrialization and economic growth can't happen without entrepreneurs, and women have a great deal of untapped potential in this area, as they are still only a minority. The main objective of this paper is to study the challenges faced by women entrepreneurs, available opportunities for them and growth prospects in recent times.

Keywords:

Women Entrepreneurship, Challenges, Opportunities, Gender Perspectives.

1. INTRODUCTION:

Women's achievements in this time and age are exceptional with many of them making ground-breaking accomplishments in every sphere of life, particularly when it comes to entrepreneurship. Even in India, women-led businesses have been providing a great impetus to the economy. This was re-affirmed by the Union Minister for Micro, Small and Medium Enterprises, during the Shakti National Conference 2023 stated that, "women entrepreneurs in India play a significant role in advancing the economic growth of the country and women owned business are now growing significantly." According to a report by Bain & Company, nearly 20% of enterprises in India are owned by women. While the country is steering towards transforming its economic and social development status through women-owned businesses, several women dynamos have ascended to fame with their stellar entrepreneurship skills. Image consulting, e-commerce, science, entertainment, are just a few industries where Indian women entrepreneurs have been smashing glass ceilings.

The history of courageous female entrepreneurs in India in fact, started quite early with Kalpana Saroj, Known as India's first female entrepreneur and the original "Slumdog Millionaire." Kalpana bought the distressed assets of Kamani Tubes Company and steered the company back to profitability in 2001. Aditi Gupta, an alumna of National Institute of Design, Ahmedabad, started a website called Menstrupedia in 2012, which provides user-friendly information about menstruation, hygiene and puberty through comic books and relatable media. Menstrupedia's resources have benefitted around 13 million girls and women across the world. Aditi was listed

in Forbes India under 30 and was named as one of BBC's 100 most influential women for bringing a change in society through her innovative work in menstrual education. Shaikh Razia, a Chhattisgarh based microbiologist, transformed the way people look at Mahua flowers that are usually associated with the making of alcohol and is widely consumed by tribal people. Focusing on its nutritional value, Razia started Bastar foods, a business which engaged local tribal women to manufacture ladoos and other various healthy snacks from the flower.

Ela Bhatt, popularly known as the 'gentle revolutionary', is the founder of the Self-Employed Women's Association (SEWA), which is a trade union of self-employed women textile workers. She has worked remarkably at the grass root level to uplift and empower Indian women. These are just some examples, there are many other remarkable success stories of female entrepreneurs in India with government playing an increasing role in their empowerment. Over the past few years, government schemes have in fact, significantly helped small women entrepreneurs by providing them subsidized and accessible capital, connecting them with potential buyers, providing skill and market development assistance, capacity building, providing financial literacy, and access to easy micro-credit facilities. For instance, 'Mission Shakti', which is an integrated women empowerment programme launched by the Ministry of Women and Child Development in 2021-22. It is as an umbrella Scheme for the empowerment of women through institutional and convergence mechanism that seeks to realize the government's vision for 'women-led development' and make them economically empowered by promoting skill development, capacity building, financial literacy, access to micro-credit etc.

Similarly, the "SAMARTH" scheme of the Ministry of Micro, Small and Medium Enterprises provides women an opportunity to be self-reliant and independent by undertaking self-employment opportunities. The objective of the scheme is to provide 7500 women candidates from rural and sub-urban areas during the 2022-23 with Skill development and market development assistance. Mudra Loan launched by the government offers financial support to women entrepreneurs who are working towards starting their own beauty parlor, tuition centre, stitching shop, etc. There are three categories under which a Mudra loan application can be applied— Shishu, Kishor and Tarun. The Annapurna Yojana is yet another government scheme for women, which offers loans of up to Rs.50,000 to women entrepreneurs in food catering businesses. The loan amount can be utilized towards purchasing utensils, mixer cum grinder, hot case, tiffin boxes, working table, etc. as working capital. Udyogini Scheme launched by Women Development Corporation under the Government of India, promotes women's entrepreneurship among poor women by providing them financial support. This scheme majorly provides assistant to illiterate women living in rural and backward areas of the country.

Undoubtedly, women entrepreneurship is an essential source not only for the economic growth of a country but can also act a powerful tool to break off the shackles that existed owing to the extremely pervasive gender inequalities, especially when it comes to their workforce participation. And given that India's trajectory has increasingly been shifting from women's development to women-led development, there is a lot that the above-mentioned schemes can do in terms of identifying uncultivated talents, provide necessary training and facilitate inclusive

participation in industries, which can further contribute towards growing industrial and national productivity.

2. PMEGP:

The economic development of the country will not be achieved effectively without the participation of women, who constitute nearly half of the world population and an important part of the workforce. As a result, it not only increases the human workforce but also the status of the women in the society. The Government of India has defined women entrepreneurs as owning and controlling an enterprise with women having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to women. Under PMEGP higher subsidy is provided to women beneficiaries. Since inception until the data available (i.e. 2008- 09 to 31.12.2022), a total of 2,59,339 projects of women entrepreneurs have been assisted under PMEGP. The cumulative data on number of women beneficiaries for the available five years (2017-18 to 2021-22) and up to 31.12.2022 is as follow.

Table-1: Women Entrepreneurs under PMEGP

Year	Women Entrepreneurs (Beneficiaries)
2017-18	15669
2018-19	25434
2019-20	24720
2020-21	27285
2021-22	39192
2022-23 up to December	18288
Total since inception	259339

Source: Ministry of Micro, Small and Medium Enterprises

The main focus of the schemes/programmes undertaken by the Organizations of the Ministry is to provide/facilitate a wide range of services required for accelerating the development of MSMEs. Nevertheless, there are a few schemes/programmes which are individual beneficiary oriented. There are several schemes, wherein women are provided extra benefits/ concessions/ assistance.

3. Government Schemes for Women/Female Entrepreneurs in India:

Women are growing in the field of entrepreneurship and developing the field in dynamic terms. Women can turn things their way when they wish to and it has been noted that they have been very consistent with progress. Women who wish to earn on their own and be businesswomen are encouraged in today's day and age because of the progress their gender has made in the field. If you are a woman, looking forward to establishing yourself and your intelligence in the field, this might be a great way through by breaking walls of the society and making your statement as a successful smart human, even better than men in some cases. For these women owners of MSMEs, there are certain women loan schemes being provided by the government and public institutions throughout the country that have lucrative offers to encourage these companies and make it easier for them to get loans. Indifi is an expert in the field of loan financing since it analyses data of businesses from various sources and draws insight to judge their creditworthiness. There are certain age barriers, loan limits, and conditions that come with these loans, which we recommend check in detail before going ahead

with the loan. However, in brief, let us see how women are encouraged by different organizations under various women's loan schemes.

3.1. Annapurna Scheme:

This loan is provided to women in the food catering industry, still establishing their small-scale businesses. The loan allows these women entrepreneurs to avail it as capital requirements like buying equipment and utensils, setting up trucks, etc. Under this funding for female entrepreneurs in India, women can sell packed food items and snacks which is one of the most common businesses that women entrepreneurs excel in since it is something that housewives have been managing all their lives and are accustomed to. This boosts their sales since they have a chance at better capital and new products to kick-start their business than they could otherwise afford. The loan limit is Rs. 50,000 under the scheme.

3.2. Bharatiya Mahila Bank Business Loan:

This banking scheme is the best government loan schemes for ladies here in this scheme women entrepreneurs supports women and their businesses on a large scale, which is why it was created in the first place. Women have ventured into different fields of business and are constantly pining for success. This bank has the vision to provide economic empowerment to women. The loan limit via this source is Rs.20 Crores.

3.3. Mudra Yojana Scheme:

It is a Government of India initiative that aims to improve the status of women in the country by providing business loans and supporting them so that they can be financially independent and self-reliant. After approval of the loan, they will be given Mudra cards that work like credit cards with the withdrawal limit being 10% of the loan. This scheme has different types of plans as per business type, level of expansion, and loan aim. The loan limit under this women's loan scheme by the government is Rs. 10 Lakhs.

3.4. Orient Mahila Vikas Yojana Scheme:

This women's loan scheme is for women who hold 51% share capital as a proprietary concern. It is a very good opportunity for these stakeholders to help expand their business and add to the development of their field. These loans for women entrepreneurs in India do not require collateral security while also giving a concession at an interest rate of up to 2%. The period of repayment is flexible for up to 7 years and the loan limit is Rs. 25 Lakhs.

3.5. Dena Shakti Scheme:

This govt. scheme for women's businesses is limited only to those in the fields of agriculture, retail, manufacturing, small enterprises, or micro-credit organizations. As per RBI, the maximum ceiling limits for women beneficiaries are also provided according to the sector they are expanding or planning to open a business. The loan **limit is Rs.20 Lakhs.**

3.6. Pradhan Mantri Rozgar Yojana:

Also known as PMRY, this is one of the best schemes for women entrepreneurs both socially and financially. The focus of this scheme is on creating skill-based, self-employment through women entrepreneurs and smart minds at work being utilized for monetary independence. This scheme covers both urban and rural areas and was developed through several amendments in cost, eligibility, and subsidy limits. The loan subsidy amount is up to 15% of the project cost with an upper ceiling of Rs. 12,500 per borrower as a restriction.

3.7. Udyogini Scheme:

This Udyogini scheme encourages women to be self-reliant and helps them in self-development by empowering them economically to be able to do so. This women's loan scheme encourages budding women entrepreneurs by providing loans in the regard and giving good rates of interest in comparison to the private sector's skyrocketing rates, while also being a trustworthy source of lending. This is only valid for those who have a **family income of less than Rs. 40,000 per annum**. They especially encourage loans in the trade and service sector and the **cap amount for the same is Rs. 1 Lakh**.

3.8. Cent Kalyani Scheme:

This government scheme for women business is targeted at both new businesses and those that aim to grow and expand; the only specific emphasis is on the scheme being for Women Entrepreneurs. Retail trade, education and training, and self-help groups are not eligible for the scheme. The eligible categories are given with the rules on their website. This loan is a collateral-free loan as well with zero processing fees. The selected eligible categories of businesswomen can take the loan and expand their business through these loan schemes for women entrepreneurs. Under this scheme, the **loan limit is Rs. 100 Lakh**.

3.9. Mahila Udyam Nidhi Scheme:

This scheme aims to meet the gap in equity. It promotes MSMEs and small sector investments in different industries to grow and excel in their areas. This also encourages the reconstruction of SSI units that are deemed incapable but are actually viable to save. A period of **10 years** is given to the debtor to repay the loan and the **limit for the loan is Rs.10 Lakhs**.

3.10. Stree Shakti Yojna:

Under this scheme, women entrepreneurs qualify for a 0.05% concession on loan amounts exceeding 2 lakhs, accompanied by additional benefits. This opportunity is open to all ambitious women business proprietors aspiring to launch their ventures. A key prerequisite is the enrolment of these women entrepreneurs in the Entrepreneurship Development Program (EDP).

3.11. Synd Mahila Shakti Scheme:

The Syndicate Bank initiated this programme to empower women entrepreneurs. Within this initiative, the bank provides financial support to women who own small businesses or are self-employed. The primary objective of this scheme is to foster the economic empowerment of women, encouraging them to seek business loans for expanding their ventures. The government

envision a scenario where women can readily access financial assistance to grow their businesses, with a maximum loan amount available under this scheme capped at 5 lakhs.

3.12. Mahila Coir Yojana:

The Mahila Coir Yojana (MCY) is a programme designed to help women by giving them spinning equipment at lower prices after they complete training. Women who start their own coir businesses can receive up to 75% off the cost of the equipment and machinery needed for processing coir. Additionally, the scheme provides extra financial support, covering up to 25% of the total project cost. This programme is available to women in rural areas who are over 18 years old and have completed a coir yarn spinning training course from any of the Coir Board's training centres.

4. CHALLENGES FACED BY WOMEN ENTREPRENEURS:

Challenges for women entrepreneurs in India remain a significant barrier despite their growing presence in the business landscape. Women contribute greatly to the economy, but societal stereotypes, limited access to funding, and a lack of mentorship continues to hinder their success. These obstacles highlight the need for targeted support and resources to create a level playing field in the entrepreneurial ecosystem. These are the most common challenges faced by women entrepreneurs while setting up and running a business in India.

4.1. Gender Barriers:

Even though Indian society has evolved, and everyone claims that men and women are equal, gender barriers still exist heavily. Despite the government's efforts to encourage women's leadership and empowerment, it is still challenging for females to prove their skills and gain recognition for their endeavors. Gender inequality and pay gaps are the most common problems women entrepreneurs face in India. They still need their husband, brother, or father's 'permission' to go for a job or start a business. Such blockades prevent female entrepreneurs from scaling the heights they are capable of.

4.2. Economic Challenges:

Although it might sound unfair, the Indian finance scene has massive gender gaps. Female business owners in India commonly face economic challenges due to investors' prejudice and other factors. Of all companies receiving business funding, only a small percentage comprises female founders. Many angel investors and VC firms are reluctant to invest their money in women-led companies for various unspecified reasons. Moreover, most women don't have assets or properties in their name, or they don't have the authority to mortgage or sell them. Therefore, economic challenges come up as a major problem when applying for private financing or collateral loans. To overcome the challenge, small unsecured Business Loans for women from Hero Fincorp can provide the required funding without needing collateral, guarantor, or security.

4.3. Legal and Regulatory Hurdles:

Navigating the legal and regulatory environment in India can be particularly challenging for women entrepreneurs. They may face additional hurdles in understanding and complying with complex regulations, which can be compounded by a lack of legal support and resources. They

often face challenges dealing with laws related to marriage or divorce, property distribution, inheritance and business permissions. This creates significant barriers to entry and operational difficulties, making it harder for women to sustain their businesses.

4.4. Work Life Integration:

According to a recent National Family Health Survey (NHFS) report, only 32% of married Indian women aged between 15 and 49 are employed. In most Indian homes, women are responsible for cooking, cleaning, and caring for their children and other family members. Society expects these roles as a woman's obligations that they must play adequately. Successful business owners need good work-life integration to control their social and professional lives, including family responsibilities. When a woman starts a business, their priorities and schedules change. Household responsibilities and family commitments may disturb women entrepreneurs' work-life balance, making it challenging to run a business.

4.5. Lack of Education:

One of the biggest credentials for a modern entrepreneur is having prior experience in running a successful business. To supplement the lack of experience in running a business the entrepreneur should have professional experience of working in the relevant industry or a business management degree. Unfortunately, in India, the education of women does not get its due importance. This result in many budding female entrepreneurs lacking the education required for running a successful business. As women are getting access to higher education, they are levelling the play field.

4.6. Limited Industry Knowledge:

Many industry sectors such as manufacturing are still seen as men's forte. Women do not have access to the industry contacts, mechanisms and know-how that are necessary for running the business successfully. Despite the gradual breaking of stereotypes, there is still a general lack of exposure in these areas. Being educated in stem disciplines (science, technology, engineering and mathematics) can bridge the gap that women entrepreneurs currently face. Digital literacy has also brought the revolution in empowering women to gain the right tools in gaining the right knowledge.

4.7. Networking and Mentorship:

Limited access to networking is one of the basic problems of women entrepreneurs. Due to less integration with informal and formal networks, female SME owners suffer from insufficient network development avenues. Many women feel unsafe travelling alone or staying at hotels while touring for business purposes. Most Indian hotels still do not accept single women as guests unless a man accompanies them. Men dominate most professional networks, making navigating or accessing these spaces challenging for women. Therefore, they do not get enough opportunities to find vendors and collaborators, build social networks, and grow their businesses.

4.8. Access to Resources and Technology:

Entrepreneurship is a lengthy journey involving a lot of learning, training and up-skilling. Access to the required resources and technology is crucial to a strong spirit that deserves to become a

successful business owner. However, many female entrepreneurs suffer from the lack of funds to establish a productive environment. For instance, if a woman wants to start manufacturing something, she might not have enough money to purchase the required machinery or equipment. That is when Business Loans for women provide the required support to strengthen their businesses.

4.9. Lack of Access to Professional Networks:

Limited access to professional networks is another one of the basic problems and challenges of women entrepreneurs in India. According to the Google-Bain survey, female business owners are less integrated with formal and informal networks. The survey further indicates that over 45% of urban small business owners suffer due to insufficient avenues of network development. Studies also show that most of the existing professional networks are dominated by men, making it difficult for women to access or navigate such spaces. Consequently, they miss out on opportunities to grow their business, find collaborators and vendors, and build social capital.

5. EMERGING TRENDS FOR WOMEN ENTREPRENEURS:

The landscape of entrepreneurship is evolving, with women at the forefront of shaping the future of business across the globe. As we advance, several key trends are emerging that promise to empower women entrepreneurs even further, breaking traditional barriers and fostering an inclusive economic growth environment.

5.1. Increased Access to Funding:

Access to capital has historically been a significant barrier for women entrepreneurs. However, the trend is shifting towards more equitable funding, with an increase in initiatives like women-focused venture capital funds, grants, and crowdfunding platforms that aim to support women-led start-ups. This trend is likely to continue, enabling more women to bring their innovative ideas to market.

5.2. Growth in Women-Led Networks and Support Systems:

The power of networking cannot be overstated, especially for women entrepreneurs seeking mentorship, resources, and support. The proliferation of women-led networks, both online and offline, offers immense opportunities for learning, collaboration, and growth. These networks not only provide business support but also champion the cause of women's entrepreneurship on global platforms.

5.3. Leveraging Technology for Business Innovation:

Women entrepreneurs are increasingly leveraging technology to innovate, streamline operations, and reach wider markets. From e-commerce platforms to AI and block chain, the integration of technology in business processes allows for more efficient and scalable ventures. As technology continues to evolve, it offers endless possibilities for women to explore new business models and solutions.

5.4. Focus on Social Impact

Many women-led businesses are built around the principles of sustainability and social impact, addressing issues from environmental conservation to social inequality. This trend is driven by

a growing consumer demand for businesses that not only generate profit but also contribute positively to society. As awareness and concern for global challenges increase, businesses with a strong social mission are set to thrive.

5.5. Flexible and Remote Working Models;

The shift towards remote and flexible work models, accelerated by the COVID-19 pandemic, has opened up new possibilities for women entrepreneurs. This flexibility allows for a better balance between professional and personal responsibilities, making entrepreneurship more accessible for women, especially those with caregiving duties. This trend is expected to continue, with more businesses adopting flexible work policies.

5.6. Emphasis on Mental Health and Well-being:

Entrepreneurship is demanding, and the mental health of business owners is crucial for their success and sustainability. There is a growing emphasis on mental health and well-being, with more resources and conversations centered around coping mechanisms, work-life balance, and the importance of taking breaks. This holistic approach to entrepreneurship supports long-term success and fulfilment.

5.7. Rise of Female Role Models in Entrepreneurship:

As more women achieve success in various industries, they pave the way and inspire others to pursue their entrepreneurial dreams. The visibility of female role models in entrepreneurship encourages aspiring women entrepreneurs and helps change societal perceptions about women's roles in business and leadership.

6. CONCLUSION:

While India has made notable progress in promoting entrepreneurship, challenges for women entrepreneurs in India remain a critical issue that demands attention. Overcoming barriers such as social stereotypes, limited access to capital, and a lack of supportive ecosystems is essential to unlocking the full potential of women entrepreneurs. The problems faced by women entrepreneurs go beyond finance, marketing, and health. Even in today's modern world, there is still a need to improve support for women in business. Identifying and addressing unconscious bias in society is crucial to assisting female entrepreneurs. Families and social circles need to provide more support for women entrepreneurs. Care and household duties are not exclusively the responsibility of women. Leveraging the full potential of women entrepreneurs enhances innovation, economic growth, and job creation. Yet, to accomplish this, we must change how we view women in business and acknowledge their efforts. Women entrepreneurs have created many successful business brands around the world in recent years. Yet, their journeys have not been easy. The confidence of a woman is a vital part of prosperity and growth.

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