

National Seminar on Effect of Ecopreneurship on Environment Protection & Sustainable Development

Role of Women Entrepreneurs in Upliftment of Indian Economy

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Abstract

Introduction: The socio-economic landscape has changed significantly as a result of women's growing involvement in a variety of industries, such as technology, retail, healthcare, and agriculture. The development of women has always had a significant impact on the country's overall progress, and women have moved from the kitchen to higher levels of professional activities as a result of their increased awareness and educational attainment. In India, the emergence of women entrepreneurs and their role in fostering economic growth are significant and noteworthy.

Methodology: The paper reviews the existing literature on women entrepreneurship in India, drawing on Vinesh (2014) on the role of women entrepreneurs in India, Deepthi Poreddy (2020) on challenges and opportunities for Indian women entrepreneurs, and Dr. V. Preethi Mahesh (2020) on issues and challenges facing women entrepreneurs in the Indian economy. It is organised around four objectives: to assess the situation of Indian women and female entrepreneurs; to examine the issues that Indian women entrepreneurs face; to project the prospects and room for growth for Indian women entrepreneurs; and to investigate new opportunities for current and prospective Indian women entrepreneurs. Evidence is drawn

from published statistics of the Ministry of Micro, Small & Medium Enterprises, the Indian Brand Equity Foundation and government scheme data.

Results & Discussion: Women make up about 14% of all Indian entrepreneurs, or about 8 million people, and 10% of all formal business owners are female entrepreneurs. Women lead about 20.37 percent of India's MSME sector, which employs roughly 23.3% of the workforce, and female entrepreneurs own businesses worth 13.5% to 15.7% of the total, employing between 22 and 27 million people. Beneficiaries of the Prime Minister's Employment Generation Programme total 39,154, with women beneficiaries increasing by 43% between FY21 and FY22, while the Public Procurement Policy saw a 105% increase in women beneficiaries to 10,287 and participation in the Entrepreneurs' Skills Development Programme rose from 13,640 in FY21 to 24,734 in FY22. As of March 2024, 4,00,42,875 MSMEs are registered on the Udyam portal, of which 97.7% are micro, 1.5% small and 0.8% medium, and 5.8 million orders totalling Rs. 3,87,006 crore (US\$ 46.67 billion) were placed on the Government e-Marketplace. Increased female labour force participation is predicted to boost the economy by USD 770 billion by 2025, with the participation rate rising to 24% in Q2 FY24.

Conclusion: Women entrepreneurs are an integral force in India's economic upliftment, contributing to employment, innovation, and GDP growth. Despite facing significant challenges such as gender disparity, lower risk bearing capacity, poor financial support, limited managerial proficiency, insufficient training programmes and socio-cultural barriers, their perseverance and government support initiatives are gradually transforming the business landscape. Empowering women entrepreneurs with financial access, skill development, and policy support can unlock their full potential, leading to a more inclusive and prosperous economy. As India moves towards becoming a global economic powerhouse, fostering women-led businesses is not just a choice but a necessity for sustainable growth.

Keywords: Women Entrepreneurs; Indian Economy; MSME Sector; Employment Generation; GDP Growth; Rural Development; Government Schemes; Financial Independence; Gender Disparity; Udyam Portal.

1. Introduction

Small financial initiatives, such as rural savings, are essential to forming small and micro businesses in developing nations like India. These modest savings programs in rural

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areas are the outcome of female entrepreneurs who are working hard to compete with the male-dominated world. In actuality, women entrepreneurs are contributing significantly to the Indian economy by creating new job opportunities, promoting prosperity, and speeding up development. Women make up about 14% of all Indian entrepreneurs, or about 8 million people, if we consider the contributions they have made to the nation's economic advancement. The growth of female entrepreneurs in India's economy is accelerating at a pace, and their contributions are incalculable. It is notable that 10% of all formal business owners are female entrepreneurs. Indian women entrepreneurs seize every chance to transform it into something useful. They are also helping to raise the nation's per capita income and net national product, which are crucial for our economic expansion. According to statistics, women lead about 20.37 percent of India's MSME sector, which employs roughly 23.3% of the workforce. Female entrepreneurs own businesses worth 13.5% to 15.7% of the total, employing between 22 and 27 million people. As a result, they are now India's economic backbone. The decline of rural artisanship has spawned the significance of empowerment and entrepreneurship.

2. Review of Literature

"The Role of Women Entrepreneurs in India," Vinesh (2014). Due to the exposure and involvement of women in the economy through their business ventures, our nation, India, has achieved a noteworthy level of economic growth. It is noteworthy that the women-centered sector occupies 45% of the total population. At this high level of female entrepreneurship, sufficient and efficient measures are required to give women entrepreneurial awareness, orientation, and skill development programs. Governmental and non-governmental organizations are now taking action to promote the role of

female entrepreneurs in economic development. Priority should be given to easing the registration requirements for their businesses rather than entangling them in red tape.

"The Role of Indian Women Entrepreneurs: Challenges and Opportunities," by Deepthi Poreddy (2020). We all mistakenly believe that women are incapable of successfully managing a business. Women are more capable than men of handling any situation. In the twenty-first century, women are much better at multitasking and managing their societal, familial, professional, and personal responsibilities than men. To skill them in their respective fields, the proper direction and training are required. With the correct assistance from their families, the community, and the government as a whole, they can become prosperous women entrepreneurs who are integrated into the national economy and help advance our nation's economy. More attention must be paid to encouraging women entrepreneurs.

"The Role of Women Entrepreneurs in our Indian Economy: Issues and Challenges — An Overview," by Dr. V. Preethi Mahesh (2020). To better understand Indian women and their unique lives as entrepreneurs, this study concentrated on women entrepreneurs. How they are developing and making a significant contribution to economic growth. The majority of women are afraid of what society will think of them if they work. The fact that middle-class women are okay with being afraid of social hierarchy or boundaries is enlightening. On the other hand, the upper-class families showed clear signs of improvement and progress.

The following are the leading Indian women entrepreneurs making contributions to the country's economy:

1. Aditi Gupta, co-founder of Menstrupedia Comic
2. MobiKwik Co-Founder Upasana Taku
3. Divya Gokulnath, BYJU'S co-founder and director

4. Mamaearth Co-Founder Ghazal Alagh
5. Vineeta Singh, Sugar Cosmetics' co-founder and CEO
6. Mad Street Den Co-Founder Ashwini Asokan
7. Shahnaz Hussain, the founder, managing director, and chairperson of the Shahnaz Hussain Group
8. Ampere Electric's founder and CEO, Hemalatha Annamalai
9. VLCC Health Care Ltd.'s founder, Vandana Luthra
10. Zivame's founder, Richa Kar

3. Objectives of Study

- To assess the situation of Indian women and female entrepreneurs.
- To examine the issues that Indian women entrepreneurs face.
- To project the prospects and room for growth for Indian women entrepreneurs.
- To investigate new opportunities for current and prospective Indian women entrepreneurs.

4. Contribution of Women Entrepreneurs to the Indian Economy

4.1 Employment Generation

Not just for themselves, but also for others, especially women and underrepresented groups, women entrepreneurs generate employment opportunities. Their companies help to improve economic self-sufficiency and lower unemployment.

4.2 GDP Growth

A substantial portion of India's GDP comes from women-owned enterprises. According to research, the Indian economy could gain trillions of dollars if more women pursued entrepreneurship.

4.3 Innovations and Start-ups

Women-led start-ups are fostering innovation, particularly in fields like technology, healthcare, education, and sustainable businesses. Their unique perspective often leads to the development of inclusive and socially impactful products and services.

4.4 Rural Economic Development

In rural areas, a large number of women entrepreneurs run businesses specializing in agriculture, dairy farming, handicrafts, and textiles. These companies support indigenous skills, improve local communities, and support equitable regional economic growth.

4.5 Financial Independence and Social Empowerment

In addition to fostering economic inclusivity and lowering gender gaps, female entrepreneurs help people become financially independent. Many others are motivated to pursue business endeavors and shatter social stereotypes by their success stories.

5. Challenges Faced by Women Entrepreneurs

Despite their significant contributions, women entrepreneurs in India face numerous challenges, including:

Gender Disparity/Inequality: As everyone knows, India still has a traditional, male-dominated society in which women are not treated fairly. They are either viewed as inferior to men or as their subordinates. They are thought to be less confident and physically weak when it comes to taking on entrepreneurial responsibilities.

Low/Lesser Risk Bearing Capacity: Indian women are often perceived as timid, mild, and weak by nature. They lack the risk-taking mindset that is necessary for operating a business. This is due to a lack of funding, education, and training.

Poor Financial Support: Poor financial support prevents women entrepreneurs from meeting and increasing their business's financial needs. Because of their lower solvency and failure risk, bankers, creditors, and other financial institutions are hesitant to give money to female borrowers.

Limited Managerial Proficiency: Women entrepreneurs lack the necessary education and training to perform management tasks like organizing, motivating, controlling, and planning. This prevents them from being a good entrepreneur, and they struggle to run their business efficiently due to their lack of management skills.

Insufficient Training Programme: Women in our nation lack access to the newest technologies or are only partially or not at all proficient in using them. As a result, they are unable to conduct research and make money from training.

Socio-Cultural Barriers: Women carry out a variety of duties in daily life, and among these, personal and family responsibilities can occasionally prove to be a significant obstacle to success in an entrepreneurial endeavor. Few female entrepreneurs in India can effectively balance their personal and professional lives.

6. Role of Government Institutions for Promoting Women Entrepreneurs

Numerous programs have been put in place to support the sustainable development and expansion of women entrepreneurs' businesses as a result of the government's initiative to empower them. Recent statistics show that the number of women who have benefited from these programs has increased significantly.

As of right now, there are 39,154 total beneficiaries of the Prime Minister's Employment Generation Programme (PMEGP), with the number of women who have benefited from it increasing by 43% between FY21 and FY22. Similar to this, the Public Procurement Policy, which mandates that government agencies and public businesses source at least 3% of their goods from women-led businesses, has seen a 105% increase in the number of women beneficiaries from FY21 to FY22, with a current total count of 10,287. Additionally, the number of participants in the Entrepreneurs' Skills Development Program (ESDP) increased from 13,640 in FY21 to 24,734 in FY22.

Data from the Ministry of Micro, Small & Medium Enterprises shows that as of March 2024, 4,00,42,875 MSMEs are registered on the Udyam portal, which includes the Udyam Assist Platform. Of these, micro-enterprises make up 97.7%, small businesses make up 1.5%, and medium-sized businesses make up 0.8%.

Additionally, 5.8 million orders totaling Rs. 3,87,006 crore (US\$ 46.67 billion) were placed by 148,245 primary buyers and 215,743 secondary buyers via the Government e-Marketplace (GeM) portal.

7. Impact of Women in Indian Economy

According to a report from the Indian Brand Equity Foundation (IBEF), women-led businesses make up approximately 20.37% of the MSME sector in India and employ roughly 23.3% of the workforce. Women own between 13.5 and 15.7 million businesses that employ between 22 and 27 million people. They are regarded as the Indian economy's foundation. Increased female labor force participation is also predicted to boost the country's economy by USD 770 billion or 18% more than the global GDP, by 2025. Women-led businesses are predicted to grow by 90% over the next five years due to an increase in startups and the adoption of inclusive work cultures.

The female labor force participation rate increased from 23.2% in the previous quarter and 21.7% in Q2 FY23 to 24% in Q2 FY24, according to recently released government data.

Things have advanced significantly in a nation where women are expected to manage only domestic duties, as evidenced by the 15.7 million women-led businesses that exist today. This demonstrates that women can develop rapidly and have the potential to significantly alter the MSME sector.

8. Opportunities for Indian Women Entrepreneurs

- Telecommunication
- Bio-Technology
- Event management
- Herbal and Healthcare
- Plastic Materials
- Tourism industry
- Eco-friendly technology
- Food, vegetables and fruits processing
- IT Enabled enterprises
- Mineral water

9. Conclusion

Women entrepreneurs are an integral force in India's economic upliftment, contributing to employment, innovation, and GDP growth. Despite facing significant challenges, their perseverance and government support initiatives are gradually transforming the business landscape. Empowering women entrepreneurs with financial access, skill development, and policy support can unlock their full potential, leading to a more inclusive and prosperous economy. As India moves towards becoming a global economic powerhouse, fostering women-led businesses is not just a choice but a necessity for sustainable growth.

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