



## The Role of Women Entrepreneurs in Indian Economy

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Article Info	Abstract
<p><b>Received:</b> 06/07/2023  <b>Revised:</b> 20/08/2023  <b>Accepted:</b> 01/09/2023</p> <p><b>Keywords:</b> Entrepreneurship,                      Women Entrepreneur,                      Indian Economy,                      Government Initiatives</p>	<p>Women's role in economic development is a topic that has gained substantial attention in recent years. In India, women have been traditionally associated with domestic roles. However, the evolving socio-economic landscape has led to a paradigm shift in the perception of women's roles. Today, women are increasingly participating in economic activities, contributing significantly to India's development.</p>

### INTRODUCTION:

The economic participation of women in India has witnessed a significant transformation. From being confined to household chores, women have ventured into various professions, contributing to the economy. Women are now seen in leadership roles, running successful businesses, and making substantial contributions to India's GDP. Entrepreneurship has emerged as a powerful tool for women's empowerment in India. Women entrepreneurs have been creating job opportunities, thus fostering economic growth. The government's initiatives, including financial schemes and training programs, have further facilitated women's entrepreneurship.

*Women entrepreneurs may be defined as a woman or a group of women who initiate, organise and run a business concern.*

*Women entrepreneurs are those women who think of a business enterprise, initiate it, organise and combine factors of production, operate the enterprise and undertake risks and handle economic uncertainty involved in running it.*

Schumpeter – "Women entrepreneurs are those women who innovate, initiate or adopt a business activity".

Government of India – "A woman entrepreneur is defined as an enterprise owned and controlled by a woman having a minimum financial interest of 51

percent of the capital and giving at least 51 percent of the employment generated in the enterprise to women.

### Objectives of the study:

To study of profile of women entrepreneurship.  
 To awareness of Government schemes about women entrepreneur.

### Entrepreneurship and Women in India

#### Under-Represented Women Entrepreneurs:

Despite India's rapid economic growth in recent decades, India still has very few women entrepreneurs, **well below several Sub-Saharan African countries** on some average measures.

In India, **only 20% of the enterprises are women-owned** (providing direct employment to 22 to 27 million people) and the **covid pandemic** has added fuel to the fire by impacting women disproportionately more.

#### Women's Representation in Startups: Women are founders of only 6% of the Indian startups.

- Startups with at least one woman co-founder raised only **5% of the total funding** raised by startups between 2018-2020, and this further shrunk to only **1.43% of the total investor funding** in the startup ecosystem, when only women founders were considered.

**Sector-Wise Representation:** In terms of ownership of equity, business stakes held by women are **highest in India's manufacturing sector** (mainly related to paper and tobacco products) even exceeding 50% .

However, women-held shares of **2% or even less are seen in industries related to computers**, motor vehicles, fabricated metal products and machinery and equipment.

**India's Initiatives:** The Government of India has taken various steps towards women's economic empowerment by way of initiatives like **Stree Shakti package, Udyogini scheme, Mahila Udyam Nidhi scheme, Stand Up India Scheme, Mahila e-haat, Mahila Bank, Mahila Coir Yojana and Women Entrepreneurship Platform (WEP).**

As per recent figures, women comprise 14 per cent of the total entrepreneurs in India, which works out to 8 million. Also, 10 per cent of all formal enterprises are owned by women.

About 20.37 per cent of the MSME industry in India is made up of women-led businesses, which also employ about 23.3 per cent of the labor population. Between 13.5 and 15.7 million businesses are owned by women, who also hire between 22 and 27 million individuals. They are thought of as the economic foundation of India. Not only can women's employment opportunities be expanded, but also the strain of working two shifts per week for women can be lessened. All areas of legislation must adopt the 3 Rs approach, which involves Recognizing, Reducing, and Redistributing unpaid care work provided by women.

#### **Government Initiatives to Encourage Women Participation**

The Indian government has increased the budget for Women and Child Development by 14% in 2021. It has set aside over Rs. 30,000 crores (US\$ 3.97 billion) in FY21. This budgetary allocation also includes [various development schemes](#) as listed below.

- **Bharatiya Mahila Bank Business Loan**

This type of business loan was set up in 2017 to help women access cheap loans and dream big despite their lack of resources. The scheme provides loans of over Rs. 20 crores (US\$ 2.46 million) for women entrepreneurs. A collateral-free loan can also be availed of for loans worth less than Rs. 1 crore (US\$ 0.13 million).

#### **Cite this article**

- **Dena Shakti Scheme**

This scheme was launched for women entrepreneurs looking to start their business in certain sectors such as agriculture, retail and manufacturing. The scheme provides loans at an interest rate that is 0.25% below the base rate. The maximum loan application is Rs. 20 lakhs (US\$ 26,468).

- **Udyogini Scheme**

This scheme is for women with an annual income of Rs. 1.5 lakh (US\$ 1,985). It provides loans of up to Rs. 3 lakh (US\$ 3,890) for women wanting to start a business but have no capital.

- **Women Entrepreneurship Platform**

This is a flagship platform started by NITI Aayog to promote women entrepreneurship. The platform hosts various workshops and educational events to motivate women to start their own business.

- **Pradhan Mantri Mudra Yojana**

Even though the scheme was started to help anyone looking to set up a micro/small enterprise get an institutional credit of up to Rs. 10 lakhs (US\$ 13,240), it was mostly availed of by women.

#### **Conclusion:**

In conclusion, women have emerged as significant contributors to India's economic development. Their roles in agriculture, entrepreneurship, and the service sector have not only led to economic growth but also brought about social change. However, there is a need to address the existing challenges to ensure that women can contribute fully to the economy. With the right policies and societal support, the economic participation of women in India can reach new heights, leading to sustainable development.

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