

# Women Entrepreneurship In India: Issues And Challenges

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## **Abstract:**

Women in India are now preferring dual or non-domestic work. They are not just carrying loads of domestic work but they have also extended their responsibilities for non-domestic work i.e. they are now involved in decision making process and also involved in making strategies in the organization in which they work. With the passage of time, women shifted their work form only homemakers to low-paid-menial jobs to self-employment to small-scale industries to unconventional jobs to entrepreneur, hence had a breakthrough. Women have not only adapted the complex life of the corporate world but have started moving towards developing her career towards "entrepreneurship". Due to increasing literacy rate amongst women, their voice is being accepted, their choice is being respected, the women are feeling more sense of independence and are ready to accept new roles and shoulder its responsibilities. Looking towards the statistics of in India, women entrepreneurs make up around 13.76% of the total number of entrepreneurs which are less in number. So, there is a need to identify the natural, cultural and other barriers coming across the women entrepreneurship in this dynamic world such as demographic change, technology change, rapid networking. This study will try to analyze the change of 'women in development' to women led development'. Hence, this paper will study the socio-economic development of women and challenges faced by them. It will also discuss tactics to grab the opportunities of services provided by Government of India through National Skill Development Policy and National Skill Development Mission for women entrepreneurs.

**Key Words:** Self-employment, Barriers, Women Entrepreneurship, Dynamic, non-domestic work

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## **I. Introduction:**

"When women move forward, the family moves, the village moves and the nation moves"-Pandit Jawaharlal Nehru. When women or group of women set up their enterprise then it is known as women entrepreneurship. Today women are excelling in various fields and they are generating employment for themselves and others as well.

The Government of India has defined a woman entrepreneurship as "an enterprise owned and controlled by a woman having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to women".

There are many factors responsible because of which women engage themselves in entrepreneurial activity. When women starts working, their own dignity and self-respect increases. The factors like self-dependence, career consciousness and self respect motivates the women for entrepreneurship. These are known as pull factors. But if the women becomes the entrepreneur due to adverse circumstances like family responsibilities than such factors are called push factor.

Women entrepreneurs are playing very important role in economic development of a country. They are creating job for themselves as well as for others. Apart from this they are also contributing towards economic well bring of their family and society. They are setting examples for women empowerment. They have also contributed towards reduction of poverty in our country.

## **II. Objectives:**

1. To study the importance of Women Entrepreneurship
2. To identify the challenges faced by Women Entrepreneurs.
3. To identify the opportunities provided by government of India for Women Entrepreneurs.

## **III. Methodology:**

The research design to gain insights into women entrepreneurship is chosen to be descriptive.

Secondary data is used to write this paper. Data was collected from various sources focusing on the issue of women entrepreneurship like website, national and international journals, newspaper articles, case studies etc.

#### **IV. Importance Of Women Entrepreneurs:**

The importance of women entrepreneurs can be understood through several key dimensions:

##### **1. Economic Empowerment:**

- **Economic Contribution:** Women entrepreneurs contribute significantly to the economy by creating jobs, driving innovation, and fostering economic growth. They bring new ideas and approaches to business, which can lead to increased productivity and competitiveness.
- **Income Generation:** They generate additional income for themselves and their families, which can help reduce poverty and improve living standards. Women entrepreneurs often reinvest their earnings into their communities, leading to positive social outcomes.

##### **2. Social Empowerment:**

- **Leadership and Role Models:** Successful women entrepreneurs serve as role models, inspiring other women to pursue their entrepreneurial goals. This helps in breaking traditional stereotypes and encourages more women to take up leadership roles.
- **Gender Equality:** Promoting and supporting women entrepreneurs helps in advancing gender equality. It challenges the barriers that women face in the business world, advocating for more inclusive policies and environments.
- **Community Impact:** They contribute to social change by creating businesses that address community needs, such as healthcare, education, and environmental sustainability.

##### **3. Innovation and Diversity:**

- **Diverse Perspectives:** Women entrepreneurs bring diverse perspectives to business challenges, leading to innovative solutions and products. Their unique experiences and viewpoints can lead to creativity and new business models that cater to a wider market.
- **Problem-Solving:** Women entrepreneurs are more likely to tackle problems from a different angle, often focusing on issues that have been overlooked by traditional male-dominated industries. This can lead to breakthroughs in areas like technology, health, and social services.

##### **4. Resilience and Adaptability:**

- **Adaptation to Change:** Women entrepreneurs often demonstrate a high level of resilience and adaptability in the face of challenges. They are more likely to innovate and pivot in response to market changes, making their businesses more sustainable in the long run.

Overall, the presence and success of women entrepreneurs are crucial for fostering a balanced and dynamic economy, driving social progress, and creating inclusive business environments. Their contributions not only benefit individual women but also have far-reaching impacts on communities and economies as a whole.

#### **V. Challenges Faced By Women Entrepreneurs:**

Women entrepreneurs face several challenges that can hinder their ability to start, grow, and sustain successful businesses. These challenges often stem from systemic, cultural, and societal factors. Below are some common issues:

##### **1. Access to Capital**

- **Funding Bias:** Women entrepreneurs often face difficulties in securing funding from investors or banks due to biases and stereotypes about their capability to lead businesses.
- **Limited Networks:** Women sometimes lack access to high-value networks that can connect them to investors or venture capitalists.
- **Collateral Requirements:** Financial institutions may demand collateral, which women often struggle to provide due to limited property ownership.

##### **2. Societal and Cultural Expectations**

- **Gender Roles:** Traditional gender roles often place a greater burden of family and household responsibilities on women, limiting the time and energy they can dedicate to their businesses.
- **Cultural Stigma:** In some societies, entrepreneurship by women may not be widely accepted, leading to societal resistance.

### **3. Lack of Mentorship and Role Models**

- **Fewer Mentors:** Women entrepreneurs may have fewer accessible mentors or advisors, particularly in male-dominated industries.
- **Lack of Representation:** Limited visibility of successful women entrepreneurs can deter others from pursuing similar paths.

### **4. Work-Life Balance**

- **Time Constraints:** Balancing personal and professional life is a significant challenge, as societal expectations often place more caregiving responsibilities on women.
- **Burnout Risks:** The dual demands of running a business and managing a household can lead to stress and burnout.

### **5. Limited Access to Education and Skills**

- **Entrepreneurial Training Gaps:** Women may have less access to business education or skills training, which are crucial for managing and growing a business.
- **Digital Literacy:** In some regions, women lack access to digital tools and literacy needed for modern business operations.

### **6. Discrimination and Bias**

- **Perception Issues:** Women are often perceived as less competent or less serious about business, leading to bias in partnerships, negotiations, and client interactions.
- **Market Access:** Women may face difficulties entering certain markets or industries due to male dominance or lack of credibility.

### **7. Legal and Regulatory Barriers**

- **Ownership Rights:** In some countries, legal systems do not support women's full ownership of assets, making business registration and collateral provision difficult.
- **Inequitable Policies:** Taxation, labor laws, and trade policies can sometimes disproportionately affect women-led businesses.

### **8. Networking Challenges**

- **Exclusion from Informal Networks:** Women are often excluded from informal networks, such as clubs or social groups, where critical business connections and decisions are made.
- **Gender-Specific Events:** Limited opportunities for women-specific entrepreneurial events or forums in some regions.

### **9. Technology and Digital Divide**

- **Limited Tech Adoption:** Women entrepreneurs may have less access to advanced technology or resources to digitize their businesses.
- **Connectivity Issues:** Poor internet infrastructure in rural areas disproportionately affects women-led businesses.

### **10. Self-Confidence and Risk Aversion**

- **Impostor Syndrome:** Women entrepreneurs may struggle with self-doubt and underestimate their abilities or ideas.
- **Risk Aversion:** Due to societal conditioning, women may be more risk-averse in business decisions.

## **VI. The Opportunities Provided By Government Of India For Women Entrepreneurs**

The Government of India through the National Skill Development Policy and the National Skill Development Mission provides numerous opportunities for women entrepreneurs to enhance their skills, expand their businesses, and contribute to the economy. Here are some key tactics women entrepreneurs can utilize to leverage these opportunities:

### **1. Utilize Skill Development Programs:**

- **Identify Relevant Training Programs:** Research the skill development programs offered under the National Skill Development Mission (NSDM). These programs often cover a wide range of sectors such as handicrafts, textiles, food processing, IT, and more. Choose programs that align with your business interests and growth plans.

- **Free or Subsidized Training:** Many of these programs are free or offered at a subsidized rate. Women entrepreneurs should enroll in these training programs to acquire new skills, enhance their capabilities, and gain a competitive edge in their respective fields.

## **2. Access to Financial Support:**

- **Government Grants and Subsidies:** Apply for government grants, loans, and subsidies available for women entrepreneurs. The NSDM often includes financial support schemes to help women establish or expand businesses. Understanding and applying for these schemes can provide crucial capital for starting or scaling a business.
- **Skill Loan Schemes:** Women entrepreneurs can avail themselves of skill loans to attend training programs, purchase equipment, or cover operational expenses. These loans are typically at low interest rates and may be available with relaxed repayment terms.

## **3. Market Linkages and Business Development:**

- **Networking and Market Linkages:** Take advantage of the networking opportunities provided by the NSDM. Participate in business expos, fairs, and workshops organized by the government. These platforms facilitate direct interaction with potential customers, suppliers, and mentors.
- **E-marketplaces:** Women entrepreneurs can leverage government-supported e-marketplaces to sell products and services. These platforms provide an online space for women to market their businesses and reach a broader customer base.

## **4. Skill Upgradation and Innovation:**

- **Continuous Learning:** Engage in continuous learning and skill upgradation through the various short-term courses, workshops, and certification programs offered by the government. This not only improves personal and business skills but also keeps entrepreneurs updated with the latest industry trends and technologies.
- **Adopt New Technologies:** Utilize digital platforms and tools to enhance business operations. The NSDM promotes digital skills, which are crucial for modern business setups, especially for online marketing, customer engagement, and operational efficiencies.

## **5. Mentoring and Support Services:**

- **Mentorship Programs:** The NSDM often includes mentorship schemes where experienced entrepreneurs and industry experts provide guidance to budding women entrepreneurs. Participating in such programs can offer valuable advice on business strategy, market entry, and overcoming challenges.
- **Support Organizations:** Engage with government and non-governmental organizations that offer support to women entrepreneurs. These entities provide resources, training, and mentoring to help women scale their businesses.

## **6. Leveraging Government Policies:**

- **Stay Informed:** Keep abreast of the latest policies and updates from the government. Regularly visit the official websites of the Ministry of Skill Development and Entrepreneurship to stay informed about new schemes, amendments to existing ones, and any new opportunities that might benefit women entrepreneurs.
- **Advocacy and Representation:** Participate in government discussions and forums. Women entrepreneurs should voice their needs and challenges to influence policies that can better cater to their specific needs.

By strategically engaging with the opportunities provided by the National Skill Development Policy and Mission, women entrepreneurs can gain the skills, financial support, and market linkages necessary for sustainable business growth.

## **VII. Suggestions For Overcoming Challenges Faced By Women Entrepreneurs In India:**

Overcoming challenges faced by women entrepreneurs in India requires a multi-faceted approach. Here are some suggestions:

### **1. Access to Finance:**

- **Promote Financial Literacy:** Women entrepreneurs often struggle with limited financial knowledge. Offering training programs on budgeting, financial management, and investment can empower them.
- **Microfinance and Soft Loans:** Encourage institutions to offer microloans tailored for women entrepreneurs. Schemes like the 'Mudra Yojana' have been beneficial, but their reach should be expanded.
- **Credit Guarantee Schemes:** Introduce and promote schemes where the government or financial institutions provide guarantees to banks lending to women entrepreneurs.

## **2. Networking and Mentorship:**

- **Build Women-centric Networking Platforms:** Provide forums, associations, and online platforms where women entrepreneurs can connect, share experiences, and collaborate.
- **Mentorship Programs:** Create mentorship programs where experienced women entrepreneurs guide and mentor newcomers. This can boost confidence and provide practical advice.
- **Role Models:** Showcase successful women entrepreneurs as role models to inspire others.

## **3. Skill Development and Training:**

- **Skill Development Programs:** Offer training in essential areas like digital marketing, e-commerce, financial management, and leadership skills. Tailoring these programs to the specific needs of women can make them more accessible.
- **Entrepreneurship Education:** Integrate entrepreneurship education into school and college curriculums to build a foundation for young women.

## **4. Policy Support:**

- **Amend Laws for Gender Equality:** Advocate for legal reforms that ensure gender equality in business laws. Policies should mandate equal pay, anti-discrimination laws, and support for maternity leave.
- **Incentives for Women-led Businesses:** Introduce tax incentives, subsidies, or grants for women-owned businesses to ease financial burdens.
- **Ease of Compliance:** Simplify regulatory processes and compliance requirements for women entrepreneurs to make it easier for them to start and operate businesses.

## **5. Cultural Shifts:**

- **Changing Societal Mindset:** Foster a cultural change through campaigns and media representation that challenge stereotypes about women in business.
- **Support from Family:** Encourage family support for women entrepreneurs. Government and NGOs can run awareness programs highlighting the importance of family support in business.

## **6. Access to Technology:**

- **Digital Literacy:** Provide training in digital tools and online platforms to help women entrepreneurs leverage e-commerce and social media for business growth.
- **Affordable Technology Solutions:** Make technology more accessible and affordable to small women-led businesses.

By addressing these challenges with a combination of financial support, skill development, policy changes, and cultural shifts, women entrepreneurs in India can overcome barriers and thrive.

## **VIII. Conclusion:**

Women entrepreneurs in India face a myriad of challenges that impact their entrepreneurial journey. Societal biases, limited access to finance, and inadequate support systems continue to hinder their progress. Despite these obstacles, many women are breaking barriers and making significant contributions to the economy through innovative businesses. However, overcoming these challenges requires a multi-faceted approach involving enhanced access to finance, better networking opportunities, mentorship, and policies that support gender equality in entrepreneurship. The journey towards empowering women entrepreneurs in India is ongoing, but with the right interventions, they can achieve their full potential and contribute more meaningfully to the economic growth of the country.

The Government of India, through the National Skill Development Policy and the National Skill Development Mission, is committed to addressing the skill gap in the country. These initiatives aim to enhance employability, improve productivity, and bridge the demand-supply mismatch in the labor market. By fostering a culture of lifelong learning and skill upgrading, the government seeks to empower individuals with relevant skills, ensuring they are equipped to meet the evolving needs of the economy. The continuous efforts under these policies reflect the government's dedication to creating a skilled workforce that contributes significantly to India's growth and global competitiveness.

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