

“Emerging Opportunities and Challenges for Women Entrepreneurs in India”

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Abstract

Entrepreneurs play a key role in any economy. These are the people who have the skills and necessary initiatives to take some new ideas to market or provide a service and make the right decisions to make their ideas profitable. The educated Indian women have to go a long way to achieve equal rights and position because traditions are deeply rooted in Indian society where the sociological and psychological factors set up have been a male dominated one. Despite all the social hurdles, Indian women have been standing tall from the rest of the crowd and are applauded for their achievements in their respective fields. The transformation of the social fabric of the Indian society, in terms of the increased educational status of women and varied aspirations for better living, has necessitated a change in the lifestyle of every Indian woman. She has competed with man and successfully stood up with him in every walk of life and business is no exception for this.

These women leaders are assertive, persuasive and willing to take risks. They have managed to survive and have succeeded in this cut throat competition with their hard work, diligence and perseverance. The present study has been an attempt to generate awareness and to understand the meaning of what women entrepreneurship is and how important it is or the development of the world rationally, economically and in all spheres. An extensive literature review is done on women entrepreneurs. At the end some major problems faced by Indian

women entrepreneurs, factors influencing women entrepreneurship and the perspective of different sections of the society about women entrepreneurship have been noted

Key words –Entrepreneurs, Transformations, Entrepreneurship, Diligence and Perseverance

Introduction

“Empowering Women is a prerequisite for creating a good nation, when women are empowered, society with stability is assured. Empowerment of women is essential as their thoughts and their value systems lead to the development of a good family, good society and ultimately a good nation”- Dr. A.P.J Abdul Kalam

Women entrepreneurs in India have made significant strides over the years, contributing to the nation's economy and breaking barriers in various industries. Despite challenges such as social norms, limited access to resources, and gender bias, many women have successfully built and scaled businesses across sectors like technology, retail, fashion, agriculture, and more.

The entrepreneurial landscape in India is witnessing a remarkable transformation, led by dynamic women who are breaking stereotypes and setting new benchmarks. In 2023, the contributions of these women are not only shaping the country's business terrain but also inspiring countless others to pursue their dreams in the face of formidable challenges.

Women entrepreneurship is gaining importance in India in the wake of economic liberalization and globalization. The policy and institutional framework for nurturing entrepreneurial skills, imparting vocation education and training has widened the horizon for economic empowerment of the women. However, women constitute one third of the economic enterprise. There are scores of successful women entrepreneurs both in economic and social fields in India.

The entry of women into business in India is traced out as an extension of their various activities. The glass ceilings are shattered and women are found indulged in every line of business. Women Entrepreneur is a person who accepts challenging role to meet her personal needs and become economically independent. A strong desire to do something positive is an inbuilt quality of entrepreneurial women, who is capable of contributing values in both family and social life. With the advent of media, women are aware of their own traits, rights and also the work situations. The challenges and opportunities provided to the women of digital era are growing rapidly that the job seekers are turning into job creators.

Many women start a business due various factors. But a new talent pool of women entrepreneurs is forming today, as more women opt to leave corporate world to chart their own destinies. They are flourishing as designers, interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation.

Remarkable Women Entrepreneurs of Great India

- Kiran Mazumdar-Shaw: Founder of Biocon, a biotechnology company, she is one of India's most successful entrepreneurs and a global leader in biopharma.
- Falguni Nayar: Founder of Nykaa, an e-commerce beauty and wellness platform, which has become a major player in the Indian online retail market.
- Vandana Luthra: Founder of VLCC Health Care Ltd, a wellness and beauty service provider, Luthra has expanded her brand globally.
- Richa Kar: Co-founder of Zivame, an online lingerie store that revolutionized intimate wear shopping for Indian women.
- Shahnaz Husain: Pioneer in Ayurvedic beauty products, she has built a global beauty brand, Shahnaz Husain Group.

Women entrepreneurs in India currently make up about 14% of the total entrepreneurs, equating to roughly 8 million women. This figure includes 10% of all formal enterprises owned by women, with a notable presence in the MSME industry, where women-led businesses account for about 20.37% and employ approximately 23.3% of the labour force.

Women entrepreneurs in India have significantly influenced the social and economic demographics of the country. They are active in sectors such as e-commerce, fashion, education, healthcare, and technology, bringing new ideas and approaches to traditional industries and creating innovative products and services. By 2030, it is predicted that over 30 million women-owned companies could generate between 150-170 million jobs, potentially altering the economic landscape. Currently, women contribute 22% to India's GDP, which is below the global average of 45%. However, their influence in the business sector is a strong driver of economic development

Review of Literature

Singh & Sandhu, (2017): Education is a key factor in the development of women entrepreneurship in India. Education plays a vital role in empowering women entrepreneurs with the knowledge and skills required to succeed in the business world.

Global Entrepreneurship Monitor (GEM) Report, (2018): The rise of women entrepreneurship in India is a significant development in recent years, as women are playing an increasingly important role in the economic growth and development of the country.

According to Global Entrepreneurship Monitor (GEM) Report (2018), India ranks third in the world in terms of the percentage of women entrepreneurs. Even with this progress, women entrepreneurs still face a number of challenges in India. Women entrepreneurs in India face the challenge of the absence of mentorship and support networks, as the number of women mentors and role models is relatively low. This lack of guidance and support makes it difficult for women entrepreneurs to succeed. Additionally, women's work-life balance and family obligations are significant hurdles that impede their ability to devote time and effort to their businesses, as they are expected to fulfill traditional roles as caretakers GEM, (2018).

Rao, (2019): One of the main reasons for the slow progress of women entrepreneurs in India is the patriarchal societal structure that has been deeply ingrained in the culture of the country. Traditional gender roles and expectations often limit women's access to resources and opportunities, including education and finance, and make it difficult for women to establish themselves in the business world.

Nair, (2019): Another major obstacle for women entrepreneurs in India is access to finance. Women entrepreneurs often face difficulty in obtaining loans and other forms of financial support due to the patriarchal attitudes of the financial institutions and society as a whole. The lack of collateral, property ownership and a credit history are some of the reasons that hinder women from accessing financial assistance. Moreover, women face social and cultural biases that make it difficult for them to secure investment and funding. According to the recent reports and studies female entrepreneurship has attracted a lot of attention in recent years in light of concrete evidence that it supports economic growth and development.

OBJECTIVES OF THE STUDY

1. To explore the opportunities and challenges faced by women entrepreneurs.
2. To identify the initiatives taken by the government to uplift women entrepreneurs in India

RESEARCH DESIGN

The research design for this paper is based on a qualitative analysis that involves an extensive review of relevant literature on women entrepreneurship in India. The data for this paper is gathered from various secondary sources including articles, research publications, online references from various websites and case studies.

Opportunities for Women Entrepreneurs in India

1. E-Commerce and Online Businesses

- **Opportunity:** With the expansion of digital platforms and the increasing use of the internet in both urban and rural areas, women entrepreneurs have vast opportunities to start online businesses. From e-commerce websites to social media-based businesses, women can leverage platforms like **Amazon**, **Flipkart**, **Instagram**, and **Etsy** to sell products ranging from fashion, home decor, and handicrafts to personalized services.
- **Example:** Women-led ventures like **Nykaa** (beauty e-commerce) have found tremendous success.

2. Handicrafts and Artisan Products

- **Opportunity:** India's rich cultural heritage and craftsmanship offer significant opportunities for women in the handicrafts sector. Women entrepreneurs can focus on producing traditional products like textiles, pottery, jewelry, and handwoven items, which are in high demand both domestically and internationally.
- **Support:** Platforms like **Mahila e-Haat** and government initiatives supporting traditional crafts (under the **MSME** sector) make it easier for women to promote and sell these goods.

3. Food and Catering Services

- **Opportunity:** The demand for home-cooked food, catering services, and food processing industries is growing in urban areas. Women can tap into sectors such as food packaging, cloud kitchens, health foods, and specialized catering (e.g., tiffin services, organic foods, and regional delicacies).
- **Example:** Initiatives like **Annapurna Scheme** support women entrepreneurs starting food businesses.

4. Fashion and Apparel

- **Opportunity:** The fashion industry in India is growing rapidly, and there is significant demand for innovative, sustainable, and unique clothing lines. Women entrepreneurs can tap into markets like ethnic wear, sustainable fashion, and bespoke tailoring.
- **Digital Presence:** Many fashion entrepreneurs are leveraging online platforms like **Instagram** and **WhatsApp** to sell their products directly to consumers.

5. Beauty and Wellness

- **Opportunity:** With increasing awareness around personal care and wellness, there is a growing demand for beauty services, organic skincare products, wellness centers, and fitness training. Women entrepreneurs can set up beauty parlors, wellness spas, or even launch beauty product lines.
- **Franchise Options:** Many beauty and fitness brands offer franchise opportunities, which could be a lucrative option for women looking to start in this industry.

6. Technology and IT

- **Opportunity:** The growing startup ecosystem in India presents opportunities for women in tech-driven sectors like software development, app creation, digital marketing, fintech, and AI-based services. Initiatives like the **Women Entrepreneurship Platform (WEP)** under NITI Aayog help women entrepreneurs build tech startups.
- **Support:** Tech-focused incubators, angel networks, and funding opportunities are increasingly supporting women-led startups in India.

7. Health and Wellness

- **Opportunity:** Health-tech startups focusing on affordable and accessible healthcare solutions for women and children are gaining momentum. Women entrepreneurs can innovate in areas such as telemedicine, health apps, diagnostic tools, or fitness solutions.
- **Rising Demand:** Increasing awareness of mental health, fitness, and preventive healthcare offers significant scope for women entrepreneurs to create services tailored for wellness and health.

8. Education and Skill Development

- **Opportunity:** The rise of online education, tutoring, vocational training, and educational technology (EdTech) provides opportunities for women entrepreneurs. There's a demand for personalized learning solutions, early childhood education centers, and women-focused vocational training.
- **Example:** Women can start daycare centers, preschool franchises, or online education platforms.

9. Home-Based Businesses

- **Opportunity:** For women who want to balance household responsibilities with entrepreneurship, home-based businesses such as online consulting, freelancing, tutoring, and handmade product manufacturing (jewelry, crafts, bakery, etc.) provide flexibility and potential growth.
- **Platform Support:** Platforms like **Udemy** and **Coursera** allow women to offer professional courses, while **Etsy** enables selling handmade products globally.

10. Social Enterprises

- **Opportunity:** Social entrepreneurship focused on solving community issues like education, sanitation, health, and women's empowerment is gaining popularity. Women entrepreneurs can create businesses that aim for both social impact and profit.
- **Support:** Various grants, incubators, and accelerators specifically cater to social enterprises.

11. Agriculture and Agribusiness

- **Opportunity:** Women entrepreneurs in rural areas can venture into agribusiness sectors like organic farming, food processing, dairy farming, and floriculture. There's also scope for women to innovate with agri-tech solutions like farm-to-fork supply chain models.
- **Support:** Schemes like **NABARD** and government programs under **PMEGP** support women in agriculture and rural businesses.

12. Tourism and Hospitality

- **Opportunity:** India's booming tourism industry provides opportunities for women in the hospitality sector, including setting up boutique hotels, homestays, tour operations, or event planning businesses.
- **Example:** Platforms like **Airbnb** enable women to start homestays, especially in tourist-heavy regions.

13. Franchise Opportunities

- **Opportunity:** Many national and international brands offer franchise models that are specifically targeted toward women entrepreneurs. These franchises could range from retail, fast food chains, wellness centers, and education to fitness franchises.
- **Advantage:** A franchise model comes with an established brand and operational support, making it a safer option for new entrepreneurs.

14. Green Businesses and Sustainability

- **Opportunity:** With the global shift towards sustainability, there are growing opportunities for women entrepreneurs in sectors such as waste management, eco-friendly products, organic farming, renewable energy solutions, and upcycling businesses.
- **Market Potential:** Eco-conscious consumers are increasingly seeking sustainable products, providing an attractive market for women entrepreneurs.

15. Financial and Consultancy Services

- **Opportunity:** Women with expertise in finance, law, or management can start consulting firms that cater to small businesses or provide services like tax planning, legal advice, business consulting, and HR outsourcing.
- **Example:** Women-led consultancy firms can offer niche services, such as helping other women entrepreneurs access government schemes and financial assistance.

16. Event Management

- **Opportunity:** Event management, including wedding planning, corporate events, and personal milestone celebrations, is a growing sector where women entrepreneurs can thrive. The Indian wedding industry, in particular, presents massive opportunities for event planners.
- **Growth:** The demand for professional event planners is increasing, especially for destination weddings and customized experiences.
- **Opportunity:** With India's push towards a cashless economy and digital payment platforms, women can venture into fintech startups focusing on payment gateways, digital wallets, and financial inclusion services for rural and urban populations.

18. Influencer Marketing

Persistent Challenges for women Entrepreneurs in India

Despite their success, women entrepreneurs in India confront several unique challenges:

1. **Gender-Specific Barriers:** Many sectors in India are still not women-friendly, limiting their experience and opportunities.
2. **Lack of Support:** Women often miss out on necessary social and institutional support, mentorship, and guidance.
3. **Funding Difficulties:** Gender biases in funding significantly hamper the access of women-led businesses to capital.
4. **Restricted Professional Networks:** Women entrepreneurs struggle with limited access to professional networks, which are often male-dominated.

5. **Balancing Traditional Roles:** The pressure to adhere to traditional gender roles while managing business responsibilities poses a significant challenge.
6. **Limited Mobility and Safety Concerns:** Safety issues and limited mobility restrict women's ability to travel for business purposes.
7. **Education and Industry Knowledge:** A general lack of education in relevant fields and limited industry knowledge are significant obstacles.
8. **Missing Role Models:** The scarcity of female role models in the entrepreneurial sector makes it challenging for aspiring women entrepreneurs to find guidance and inspiration.
9. **Social Constructs:** Long-standing patriarchal traditions often confine women to supportive roles, impacting their professional journeys.

Government Initiatives to Promote Women Entrepreneurs in India

The Indian government has taken several initiatives to promote and uplift women entrepreneurs in the country, aiming to empower women economically and encourage their participation in business. Some of these key initiatives include:

1. Stand-Up India Scheme

- **Launched:** April 2016
- **Purpose:** This scheme provides bank loans between ₹10 lakhs and ₹1 crore to women entrepreneurs, as well as SC/ST individuals, to start businesses in the manufacturing, services, or trading sectors. Each bank branch must provide at least one loan to a woman entrepreneur.

2. MUDRA Yojana (Micro Units Development & Refinance Agency)

- **Launched:** April 2015
- **Purpose:** MUDRA provides financial assistance to micro and small enterprises. Under the scheme, women entrepreneurs can avail loans of up to ₹10 lakhs under categories such as Shishu (up to ₹50,000), Kishor (₹50,000 to ₹5 lakhs), and Tarun (₹5 to ₹10 lakhs).

3. Mahila e-Haat

- **Launched:** March 2016
- **Purpose:** An online marketing platform for women entrepreneurs and self-help groups (SHGs) to showcase their products and services. It is run by the Ministry of Women and Child Development to help women entrepreneur's access markets without intermediaries.

4. Women Entrepreneurship Platform (WEP) by NITI Aayog

- **Launched:** March 2018
- **Purpose:** A unified access portal for women entrepreneurs in India. It provides services such as funding support, mentoring, incubation, and support for initiatives related to capacity building and networking.

5. Trade Related Entrepreneurship Assistance and Development (TREAD) Scheme

- **Purpose:** This scheme provides training, counseling, and financial assistance to rural and semi-urban women. It offers grants up to 30% of the project cost to eligible institutions that help women develop entrepreneurial skills and create sustainable businesses.

6. National Policy for Skill Development and Entrepreneurship 2015

- **Purpose:** Focuses on promoting skill development among women entrepreneurs by providing them with tailored training, resources, and support networks to develop their entrepreneurial ventures.

7. Annapurna Scheme

- **Purpose:** The scheme provides loans to women entrepreneurs engaged in food catering businesses, offering financial assistance to buy kitchen tools, utensils, and equipment.

8. Udyogini Scheme

- **Purpose:** Specifically designed to provide financial assistance to women entrepreneurs from underprivileged backgrounds, especially those in rural and backward areas. Loans are offered up to ₹3 lakhs, depending on the project.

9. Bharatiya Mahila Bank (Now merged with SBI)

- **Purpose:** Though merged with SBI, the Bharatiya Mahila Bank focused on offering financial services, especially loans, at reduced interest rates to women entrepreneurs to help them establish and expand their businesses.

10. Self Help Groups (SHGs) and Swarnjayanti Gram Swarozgar Yojana (SGSY)

- **Purpose:** SHGs, often supported by the government, empower women by providing them access to microfinance. Under the SGSY, these groups can access training, skill development, and financial support to create small business enterprises.

11. Pradhan Mantri Kaushal Vikas Yojana (PMKVY)

- **Purpose:** This initiative is aimed at skill development for all sections of society, including women, with specific training modules for entrepreneurship. It aims to provide skills that enable women to start their own businesses or find employment.

12. NABARD (National Bank for Agriculture and Rural Development) Schemes

- NABARD offers several schemes tailored for women entrepreneurs, especially those in the rural and agricultural sectors. These schemes provide credit and grants for agricultural and allied activities, small businesses, and cottage industries.

13. Digital India

- **Purpose:** This campaign promotes digital literacy among women entrepreneurs, helping them access online platforms, e-commerce, and digital payment methods to enhance their business reach.

14. Support to Training and Employment Programme for Women (STEP)

- **Purpose:** STEP aims to provide skills that give employability to women and competencies that empower them to become self-employed entrepreneurs, especially in sectors like agriculture, handicrafts, tailoring, etc.

15. MSME Schemes for Women

- The Ministry of Micro, Small & Medium Enterprises (MSME) offers various schemes such as **Credit Guarantee Scheme**, **Prime Minister's Employment Generation Programme (PMEGP)**, and **Cluster Development Programme** that help women entrepreneurs start and expand their businesses.

16. Atal Innovation Mission (AIM)

- **Purpose:** AIM, under NITI Aayog, fosters a culture of innovation and entrepreneurship, including women entrepreneurs, through its initiatives like setting up **Atal Tinkering Labs** and **Atal Incubation Centres** to support innovative ideas and startups.

17. SBI Stree Shakti Scheme

- **Purpose:** Offered by the State Bank of India, this scheme provides women entrepreneurs with loans at a concessional interest rate, particularly for businesses where women own at least 50% of the enterprise.

Conclusion

In the arena of Indian entrepreneurship, women are not just participants; they are game changers rewriting the rules of the game, one enterprise at a time."

Women entrepreneurship in India faces many challenges and requires a radical change in attitudes and mindsets of society. Therefore, programs should be designed to address changes in attitude and mindset of the people. Women of the present times should be made aware regarding her unique identity and her contribution towards the economic growth and development of the country. Programmes can be conducted in which established and successful women entrepreneurs can advise and warn for the coming women entrepreneurs against the challenges they will face against being entrepreneur to boost the morale and confidence level of the upcoming entrepreneurs.

Government should also play an important role by setting up policies and plan that supports entrepreneurship opportunities. It is not easy to promote women entrepreneurship in India as it requires elimination of various obstacles that includes changing the traditional attitudes and mindsets of people in society towards women. To provide opportunities of women entrepreneurship in India one needs to make aware the women regarding her position towards the value she can add towards economic growth and development of country.

Education can play a crucial role in promoting women entrepreneurship and promotion of women entrepreneurship can be achieved by designing course curriculum that will impart the basic knowledge along with its practical implication regarding setting up of your own enterprise. Vocational training can also help by training, motivating and assisting the upcoming women entrepreneurs in setting up and managing of a new enterprise. Also women entrepreneurs who have successfully set up their enterprises can act as advisors for the upcoming women entrepreneurs. The advices taken from these successful entrepreneurs can prove beneficial for the upcoming women entrepreneurs by resulting in better involvement of women entrepreneurs in their enterprises.

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