
Breaking Barriers: The Role of Women Entrepreneurs in India

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Abstract— *Entrepreneurs play a vital role in every economy. They are individuals who have the necessary expertise and motivation to introduce unique concepts or provide services to the market, making strategic decisions to transform their ideas into profitable ventures. Educated Indian women have a long way to go to achieve equal rights and status, as traditions are firmly entrenched in Indian society, where social and psychological elements have established a male dominated structure. Despite many social barriers, Indian women have distinguished themselves and gained recognition for their achievements in various fields. The evolution of social structures within Indian society, characterized by women's diverse aspirations for higher education and better living conditions, has brought about a revolution in the lifestyle of every Indian woman. She has competed with men and effectively matched them in every aspect of life, including business. These women leaders are assertive, persuasive, and inclined to accept risks. They have successfully won this fierce competition through their hard work, dedication and perseverance. The aim of this study is to focus on the importance of women entrepreneurship and its significant role in global development in various fields, economic and others. We conduct a comprehensive literature review on the topic of women entrepreneurs. We conclude by identifying the significant challenges faced by Indian women entrepreneurs, the factors influencing their entrepreneurial endeavors, and the perspectives of different social segments towards these endeavors.*

Keywords: women, entrepreneurs, economic development, women empowerment, opportunities

INTRODUCTION

As Hilary Genga, founder and CEO of Truncates, says, be authentic and believe in who you are. You've earned your current position through hard work and determination, but the most important thing is that you're there. "Don't conform to a man's idea of what a leader should be," Genga says. Still, it's clear that, in certain circumstances, women see the need to adopt a stereotypically "masculine" behavior in business. Women owned businesses are in the minority, and the challenges women face in entrepreneurship are widespread and often different from their male counterparts in comparable positions. To explain these differences, we examine the gender gap in the barriers and challenges women face in achieving their valued positions (P. Sivasakkaravarthi 2024).

In this era of globalization, digitalization, and startup proliferation, India is experiencing a significant transformation with respect to women entrepreneurs. The Ministry of Statistics and Programme Implementation (MoSPI) published the Sixth Economic Census, revealing that women account for approximately 14% of India's total entrepreneurship. Today, female entrepreneurs are not just emerging from established business families or affluent demographics; they are emerging from diverse backgrounds and sectors across the country. Sports media ventures, manufacturing companies, and security and intelligence services are among the professions where women are starting their careers. Women entrepreneurs are defined as an individual woman or group of women who start and manage a business venture (Sowajanya S. Shetty,V.Basil Hans 2020). A woman entrepreneur has multiple roles. They must investigate the feasibility of starting a new venture, take risks, implement innovations, and oversee the coordination, administration, and management of the organization while providing excellent leadership in all business aspects. The number of women entrepreneurs is increasing significantly in the economies of almost all countries. As the awareness of women's status and economic standing in society grows, so does their hidden entrepreneurial potential (Rupashree, Chitra, Kamilini,2023). Knowledge, skills, and compliance with business rules are the main factors that motivate women to engage in entrepreneurial endeavors. Women entrepreneurs participate in the enterprises because of the push pull elements that build confidence, enable them to build self-reliant careers, and achieve independence. The rationale for women entrepreneurs to make independent decisions in life and work stems from their motivation to accept demanding roles that meet their personal needs and achieve economic independence. A deep desire to effect significant positive change is a fundamental characteristic of entrepreneurial women, who

are capable of making valuable contributions to both the family and social spheres. The advent of media has increased awareness among women of their own virtues, rights, and employment conditions. Women are actively participating in many sectors, from pickling to telecommunications, according to research on women entrepreneurs. Appropriate efforts across all sectors are essential for the advancement of women entrepreneurs and their increased participation in entrepreneurial activities (Krishna, S. Deepti 2024).

OBJECTIVES

- To study the roles of women entrepreneurship in Indian economy.
- The opportunities and challenges faced by women entrepreneurs.

METHODOLOGY

The present study was conducted to examine the role of women entrepreneurs in India. The literature review was compiled from a range of National and International Journals, published reports from the RBI and NABARD, Census Surveys, newspapers, and various online publications that addressed different facets of government initiatives concerning Women Entrepreneurship. The research strategy did not impose any limitations regarding publication data.

The Roles of Women Entrepreneurship in the Indian Economy:

India, a nation poised to become a global economic powerhouse, is witnessing a transformative shift driven by an often-overlooked force: women entrepreneurs. As of recent estimates, women constitute approximately 14% of the total entrepreneurs in India, translating to around 8 million individuals steering businesses that shape the country's economic landscape (Sixth Economic Census). Their contributions are not merely supplementary but foundational, fostering employment, innovation, and inclusive growth. This article explores the multifaceted roles women entrepreneurs play in the Indian economy and underscores their significance in driving the nation toward prosperity.

Catalysts for Employment Generation

One of the most tangible impacts of women entrepreneurship is job creation. With between 13.5 and 15.7 million women owned businesses employing 22 to 27 million people, these enterprises form a critical backbone of India's workforce (Kinara Capital, 2024). Notably, about 20.37% of Micro, Small, and Medium Enterprises (MSMEs) in India are women led, contributing 23.3% to the labor force (IBEF, 2024). This employment generation extends beyond urban centers, uplifting rural economies where women led ventures often engage local communities. For instance, initiatives like Bastar Foods, founded by microbiologist Shaikh Razia, employ tribal women to produce nutritious snacks from Mahua flowers, blending economic opportunity with cultural preservation (Invest India, 2023). Such efforts highlight how women entrepreneurs are not just employers but also agents of social equity.

Drivers of Economic Growth and Innovation

Women entrepreneurs are pivotal in accelerating India's economic growth. Their businesses contribute an estimated 18.73% to the total industrial output of MSMEs, a sector regarded as the engine of the Indian economy (Kinara Capital, 2024). Beyond output, women led startups demonstrate remarkable efficiency, delivering 35% higher returns on investment compared to their male led counterparts. This efficiency is often fueled by innovation, as women bring unique perspectives to traditional and emerging industries alike. Take Divya Gokulnath, cofounder of BYJU'S, who revolutionized India's education sector with an edtech platform that redefined learning accessibility (IBEF, 2024). Similarly, the rise of ecommerce platforms like Nykaa, founded by Falguni Nayar, showcases how women entrepreneurs leverage digital tools to meet unmet consumer needs, further boosting economic activity.

Empowering Communities and Reducing Inequalities

Beyond economics, women entrepreneurs serve as torchbearers of social change. By entering the workforce and establishing businesses, they challenge entrenched gender norms and inspire future generations. In rural areas, where patriarchal constraints are more pronounced, women like Ela Bhatt, founder of the Self-Employed Women's Association (SEWA), have empowered millions of female textile workers through collective advocacy and economic independence (Invest India,

2023). Government initiatives, such as the Pradhan Mantri Mudra Yojana, which has disbursed 30 crore loans to women over the past decade, amplify this impact by providing financial access to aspiring entrepreneurs (IBEF, 2024). These efforts align with India's shift from women's development to women led development, a vision articulated by Finance Minister Nirmala Sitharaman in the 2024 interim budget, positioning women as one of the four pillars of a developed India (IBEF, 2024).

Bridging the Gender Gap in Economic Participation

Despite their contributions, women's economic participation in India remains below global averages, accounting for just 22% of GDP compared to the global 45% (United Nation India, 2023). Increasing women's involvement in entrepreneurship could add USD 770 billion—18% more—to India's GDP by 2025, according to estimates (Kinara Capital, 2024). Programs like the Women Entrepreneurship Platform (WEP) by NITI Aayog and the Stand-up India scheme, which facilitates loans between INR 10 lakh and 1 crore, are pivotal in closing this gap (WEP, 2025; ResearchGate, 2023). These initiatives provide not only capital but also mentorship and skill development, enabling women to overcome barriers such as limited access to finance and societal biases.

Opportunities and challenges:

Rajani and Sarada. (2008). conducted a study on the support systems available to women entrepreneurs, focusing on the important role of family support in helping women succeed in business. The study specifically looked at women entrepreneurs in the Kadapa district in Andhra Pradesh, India. These findings [JS1][js2]emphasise the essential importance of familial and social support systems in empowering women entrepreneurs, underscoring the necessity of a conducive environment to cultivate successful business endeavours.

Mathew, V. (2010). investigates the growth of information and communication technology (ICT) in entrepreneurship in the Middle East region of India. This study examines the role of ICT in addressing the challenges encountered by entrepreneurs, particularly regarding information access, enhancement of business operations, and expansion of market access. The increased utilization of ICT serves as a mechanism for entrepreneurs to establish a competitive advantage, integrate into global business networks, and engage in technological transfer, training, collaboration, and

development initiatives. It shows that ICT has the power to change things for women entrepreneurs in the Middle East, breaking down barriers that have been around for a long time. It also says that integrating technology in a smart way can lead to big improvements in society and the economy.

Goyal M. and Prakash. (2011). emphasize the challenges and opportunities faced by the lower socio-economic class, which therefore affect women's entrepreneurship. Their paper aims to examine the perceptions of women entrepreneurs, the motivations behind their entrepreneurial endeavors, the factors contributing to their slow progress, recommendations for their advancement, and initiatives for the promotion and development of women's entrepreneurship in India. It also includes a brief case study of women entrepreneurs in Ludhiana. This study identifying many factors influencing women's participation in entrepreneurship like economic necessity, social recognition, skill utilization, etc. This study highlights the opportunities for enhancing women's involvement in entrepreneurship in India, which can lead to economic growth and promote gender equality.

Singh and Raghuvanshi's. (2012). research focuses on the challenges and issues faced by women entrepreneurs, with a particular emphasis on self-help groups (SHGs) in Himachal Pradesh, India. They explore how SHGs help empower women and overcome the barriers these women face in starting and running businesses. The study focuses on specific issues faced by women entrepreneurs in the region, such as limited access to finance, lack of training, and social barriers. In addition, the researchers discuss the role of SHGs in providing support, resources, and networks to women so they can overcome these challenges. This research underscores that Self-help Groups (SHGs) are very helpful for encouraging women to start their own businesses. It also indicates that problems need to be resolved so that women businesspeople in rural areas can reach their full potential.

Bahal's. (2012). revealed that the status of women entrepreneurs in rural India aims to highlights the challenges and opportunities they face. It offers to valuable perspectives oOn enhancing the status of women entrepreneurs and proposes strategies to nature their entrepreneurial spirit, thereby boosting their prospectus for business success. A significant portion of the study involves analyzing the policies implemented by the Indian government to support women, especially in rural areas. This research highlights the need to acknowledge women's contributions to entrepreneurship and foster their active involvement in economic development.

Sharma Y. (2013). conducted a comprehensive study on women entrepreneurs in India, identifying significant challenges they face. The study highlights the persistent impact of social norms on women's ability to start and manage businesses. Social norms, including traditional views on the role of women in society and the family, can limit their opportunities and undermine their confidence in entrepreneurship. The highlighted that several aspects of women's entrepreneurship such as low representation, traditional sectors, motivational factors, success factors and faced many challenges for example, family responsibilities, financial constraints, lack of training etc.

Vosenberg, S. (2013) discusses the ongoing gender gap in entrepreneurship and proposed solutions to close it. This research primarily examines the disparities in promotions and professional advancement between men and women in the business environment. The results of this study call for a complete reassessment of social norms and policy to address the root causes of gender inequality in entrepreneurship.

Akehurst, Cymro, and Mastur. (2013). examined that a wider insight into the dynamics of women's entrepreneurship, especially within small service enterprises. This research provides a framework for policymakers, support organizations, and prospective entrepreneurs by identifying essential drivers, obstacles, and performance variables that effectively meet the needs of women in business. These findings highlight the importance of considering gender and cultural contexts when designing strategies to support and enhance entrepreneurial activities.

Sarfaraz, Faghih, and Majd (2014), have demonstrated that there is a statistical connection between the entrepreneurial endeavors of women and the status of women in society. The research indicates that the correlation between gender equality and women's entrepreneurial activity differs by area and income level, underscoring the intricate aspects affecting women's entrepreneurship.

Tiwari S & Tiwari's. (2017). research is to examine the challenges that rural women entrepreneurs face in Meerut and identify the opportunities available to them for economic empowerment. The study sheds light on how entrepreneurship can be a tool for improving the socioeconomic status of women in rural areas and contributing to the broader economic development of the region. The findings indicate that formal education significantly enhances women's entrepreneurial capabilities, implying that broadening educational opportunities for women can stimulate entrepreneurship and foster economic growth.

A study by Raghuvanshi, Agarwal, and Ghosh. (2017). used the Decision-Making Testing and Evaluation Laboratory (DEMATEL) methodology to examine the barriers faced by women in entrepreneurship. The main goal of the study is to identify and explore the complex relationships between the various barriers that hinder women entrepreneurs. The authors use the DEMATEL methodology to examine both individual barriers and the causal relationships between them, providing a more comprehensive understanding of how these barriers affect and influence each other. The study finds that categorization of barriers, identification of critical barriers, strategic implications etc. Therefore, women entrepreneurs faced many entrepreneurial challenges during the startup of their businesses.

Garcia, P., and Capitan's. (2019). research examines the factors that can enhance women's entrepreneurship, especially from a gender perspective. They aim to identify environmental aspects, including cultural and socioeconomic components, that facilitate and encourage women's entrepreneurship and business expansion. They highlight the important role of personal and social interactions in their development. The results underscore the significance of addressing the different barriers faced by individuals with disabilities in the area of entrepreneurship while also acknowledging the wider societal advantages that arise from their involvement in entrepreneurial endeavours.

Tambunan, T.'s. (2020). explored that women entrepreneurs in Asian countries that are developing, particularly their progress and the primary challenges they encounter. The research examines women who operate small and medium companies (SMEs), which are firms that, while not classified as huge corporations, significantly contribute to the economy. The author examines the obstacles encountered by women entrepreneurs and analyses their business development within the framework of emerging Asian countries. This observation underscores the increasing significance of digital literacy and online platforms in enabling women entrepreneurs in Indonesia, along with the necessity for focused policies to tackle regional disparities in digital adoption.

Sharma, Dua, and Hatwal's. (2021). research contributes significantly to understanding the dual function of microenterprise growth and self-help groups (SHGs) in empowering rural women in India. This study demonstrates how microenterprises may be an effective instrument for both economic and social empowerment by evaluating the possibilities and constraints that women entrepreneurs encounter. One of the immediate consequences of microenterprises is the economic independence they provide for women. Women who start their own enterprises can make money,

contribute to household expenses, and minimize their Reliance on male family members. It concluded that formal education improves women's entrepreneurial talents, implying that increasing educational options for women can enhance entrepreneurship and contribute to economic growth.

Deshpande and Sethi. (2022). conducted a research study on women entrepreneurs in India from diverse backgrounds, with different motivations, skills, and business types. Women are starting businesses in many sectors, including manufacturing, services, and agriculture, but they face different challenges than their male counterparts. These challenges include limited access to finance, social and cultural barriers, and a lack of mentorship. This study provides a significant resource for comprehending the complex challenges impacting women's entrepreneurship in India and presents insights into possible solutions for nurturing a more inclusive entrepreneurial environment.

Government schemes for the growth of entrepreneurship among women in India

At the present time more than twenty nine schemes for the growth of women entrepreneurship in India. The following are some of the schemes:

- Pradhan Mantri Mudra Yojana
- Bhartiya Mahila Bank
- Sarkari Yojana
- Annapurna Scheme
- Stand up India Scheme
- Stree Shakti
- Orient Mahila Vikas Yojana
- Training of Rural Youth for Self Employment
- Rashtriya Mahila Kosh
- Working Women's Forum Indira Mahila Kendra
- Dena Shakti
- Mahila Samriddhi Yojana
- Udyogini
- Cent Kalyani Scheme
- Mahila Udyam Nidhi Scheme
- Mudra Yojana Scheme for Women Trade Related Entrepreneurship Assistance and Development Scheme (TREAD)

Findings and Discussions

The study reveals that women entrepreneurs in India facing numerous challenges, including social norms, limited access to finance, and lack of mentorship, which are compounded by cultural and socioeconomic barriers. Despite these obstacles, women from diverse backgrounds are increasingly participating in entrepreneurial ventures, driven by a desire for economic independence and social empowerment. The research highlights the significant role of family support and self-help groups in facilitating women's entrepreneurial success. Various government schemes, such as Pradhan Mantri Mudra Yojana and Stand-up India Scheme, have been instrumental in promoting women entrepreneurship by providing financial assistance and training. The discussions, through the lens of sociological imagination, emphasize the transformative potential of women entrepreneurs in reshaping traditional gender roles and contributing to economic development. By challenging entrenched social structures, women entrepreneurs are not only achieving personal growth but also fostering broader societal change. This study underscores the need for continued support and the creation of an enabling environment to nurture women's entrepreneurial spirit and promote gender equality in the business sector.

Conclusion

The study status of women entrepreneurship in India. While acknowledging the progress made, the study underscores the need for more initiatives and policies to support women entrepreneurs. These include improved access to finance, mentorship, and opportunities that address gender specific barriers. Through greater empowerment and recognition of women's entrepreneurial contributions, India's economy can benefit from the diverse perspectives and innovations women bring to the business world.

Women entrepreneurs are indispensable to India's economic narrative, driving growth, employment, and innovation while fostering social equity. With over 15.7 million women owned businesses today—and projections of 30 million by 2030 providing 150–170 million jobs (IBEF, 2022)—their role is set to expand dramatically. By overcoming barriers and leveraging supportive policies, they are not only powering the economy but also redefining India's future as a more inclusive and prosperous nation. As the country marches toward its \$5trillion economy goal, women entrepreneurs stand at the forefront, proving that their success is synonymous with India's progress.



Despite their achievements, women entrepreneurs face significant hurdles, including limited access to capital, gender discrimination, and the burden of balancing family responsibilities. Cultural norms and inadequate support networks further complicate their journey, particularly in rural areas. To unlock their full potential, India must enhance access to collateral-free loans, expand digital literacy, and foster mentorship programs. Policies promoting gender-neutral entrepreneurship, as suggested by the McKinsey Global Institute, could bridge these gaps by addressing financial incentives, infrastructure, and societal attitudes (McKinsey Global Institute, 2024, "Women Entrepreneurs in India: Status, Need, Challenges, Schemes, And Way Forward").

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