



RISE OF WOMEN ENTREPRENEUR

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Abstract

The rise of female entrepreneurs has given rise to a new perspective on the field of entrepreneurship. Women's entrepreneurship has important societal and economic benefits that are closely related. Even though women make up nearly half of the population in India, they still participate in entrepreneurship to a very small extent. Every Indian woman now lives a different lifestyle as a result of the changing social fabric of Indian society, which includes the increased educational status of women and diverse aspirations for a better life. In every sphere of life, she has faced off against man and prevailed, and business is no exception. These female leaders are confident, persuasive, and risk-takers. They have prevailed in this fiercely competitive environment thanks to their dedication, diligence, and perseverance. The goal of the current study was to comprehend what women's entrepreneurship meant, how crucial it is to the economic, and overall development of the world and some of the main issues Indian women business owners face.

Introduction

Researchers have shown a great deal of interest in entrepreneurship. Researchers from a variety of fields of study have been attempting to understand the dynamics of entrepreneurship for centuries. In the 18th century, Cantillon was the first economist to use the term "entrepreneur." An economic agent who takes risks in the hopes of making money is called an entrepreneur. In the process, the entrepreneur develops into an innovator and a deliberate decision-maker, which helps to close market gaps brought on by market flaws. It is well-established that entrepreneurship is crucial for economies in transition, growth, and development.

Researchers have turned to developing a comprehensive definition of women entrepreneurs in response to the rise of women

in the field of entrepreneurship. Women entrepreneurs are those who assume responsibility for organising and managing the resources of their businesses, as well as taking all associated risks in the hopes of making a profit.

In this era of start-up booms, digitalization, and globalisation, India is unmistakably experiencing a revolution in the number of female entrepreneurs. Recently, in India women entrepreneurship has become an emerging trend. Some women are highly motivated to become business owners on an individual basis. It's interesting that numerous interview partners indicated that they were exposed to the "startup world" by their male friends who are business owners or that they were influenced by male role models like Bill Gates or Steve Jobs. On an institutional level, the government has started a

number of initiatives to boost women's entrepreneurial incentives, and there is a more overt governmental commitment to their empowerment. Beyond personal and political goals, however, statistics on the number of women who actually run their own businesses reveal a very depressing balance.

According to the report, women-founded start-ups have an equal chance of success with their male counterparts at all stages of growth because of their participation in the ecosystem. Consequently, demonstrating the women's capability and desire of women to contribute to the economic development of the country as well as the urgent need to advance DE&I initiatives. The challenges they face as entrepreneurs are numerous and frequently very different from those faced by their male counterparts. To tackle with these, different Ministries/Departments of the Government of India have been implementing a number of schemes to address the issues with the development of women's entrepreneurship.⁴⁵⁰

I. **Objective**

1. To investigate the difficulties faced by women entrepreneurs through an online survey.
2. To learn about the various government programmes for women entrepreneurs

II. **Hypothesis**

Most women entrepreneurs do not participate in government programmes and are generally unaware of them.

III. **Research Methodology**

The data used for the study is secondary in nature and has been collected from annual reports of Ministry of Micro, Small and Mediums Enterprises, Government of India, various journals, newspapers. Secondary data from various websites which focused on various

aspects of the government focusing on the issue of Women Entrepreneurship.

IV. **Challenges Faced By Women Entrepreneurs**

There are some problems that only women entrepreneurs have to deal with, such as:

1. **Gender bias:** When women try to get money or resources, they may face discrimination and bias. This can happen when opportunities pass them by or when they are given less favourable terms than male entrepreneurs.
2. **Access to funding:** Social and cultural norms, as well as gender stereotypes, can make it hard for women to get funding for their businesses. This can make it harder for women to start their own businesses and grow them.
3. **Lack of mentorship and support networks:** Women may not have as many chances to meet mentors and peers who can help them start and grow their businesses. This can make it harder for women to make the connections and networks they need to be successful.⁴⁵¹
4. **Stereotypes:** Women may face stereotypes and biases about their abilities as business owners or leaders. It can be hard for women to get past these stereotypes, and they may have to work harder to prove themselves.
5. **Culture and social norms:** Culture and social norms can also make it hard for women to start their own businesses, especially in places where women aren't usually encouraged to do so.
6. **Access to markets:** It can be hard for women entrepreneurs to get into markets, especially in industries dominated by men, where they may not be taken seriously or face bias. They may also have limited access to

⁴⁵⁰ N Dangi & Ritika, *Women Entrepreneurship and Growth and Performance of MSMEs in India*, 2 International Journal of Advance Research in Computer Science and Management Studies (2014).

⁴⁵¹ J Raghuvanshi et al., *Analysis of Barriers to Women Entrepreneurship: The DEMATEL Approach* 26 (2), 26 The Journal of Entrepreneurship 220-238 (2017).

networks and resources that could help them connect with potential customers or partners.

7. Self-doubt and lack of confidence: Self-doubt and lack of confidence can be hard for women, especially in male-dominated fields where they may feel like they don't belong. This can stop them from taking risks and taking advantage of opportunities that could help their businesses.

8. Work-life balance: It can be hard for women entrepreneurs to find a good balance between their work and their personal lives, especially if they also have to take care of children or do housework. This can make them tired and make it harder for them to keep their attention on growing their businesses.⁴⁵²⁴⁵³

V. Contribution To The Economy

According to the Ministry of Statistics and Programmed Implementation's (MoSPI) sixth economic census, women account for roughly 14% of all Indian entrepreneurs. Women who start businesses today come from all walks of life and all regions of the country, not just from families with long histories in business or from the wealthier segments of society.⁴⁵⁴ In India, 18% of startups are led by at least one female founder or co-founder, according to a report released by the National Association of Software and Services Companies (NASSCOM) and Zinnov. In 2022, there will be about 36 actual and potential unicorns among these. The report also discovered that between 2019 and 2022, 17% of investment deals in India were raised by startups with women leaders, indicating the rise of women leaders in the start-up ecosystem.⁴⁵⁵

Women business owners are making jobs for other women and men in a variety of fields,

such as technology, fashion, health care, and education. They are very important to lowering the unemployment rate and giving women more financial power.

Increasing GDP: A report from the McKinsey Global Institute says that India's GDP could grow by \$700 billion by 2025 if women worked at the same rate as men.⁴⁵⁶ Promoting Innovation: Women entrepreneurs in India are giving different industries new ideas and new ways to do things. They are using technology to change old ways of doing business and make new products and services. This is leading to new ideas and making India a world leader in many fields. Rural Development: By making jobs available, they are helping rural areas become more economically stable. This is helping to make these areas less poor and raise the quality of life there.

VI. Government Policies

Since gaining its independence, India has adopted a planned strategy for growth. The fundamental plans that outlined goals and methods for achieving development and growth were five-year plans.

1. Stand-Up India Scheme: In accordance with MSME Policy, a programme was started on April 5th, 2016, to help women entrepreneurs get credit. Its goal is to have at least one woman receive a loan from one bank branch, ranging from Rs. 1 lakh to Rs. 1 crore. For non-individual businesses 51% of the share capital and controlling stake in companies covered by the Scheme must belong to women. Only SC/ST and female entrepreneurs are the focus of the programme. This business may operate in the manufacturing, service, agri-allied, or trading industries.⁴⁵⁷

2. MUDRA Yojana Scheme: This programme is being provided by nationalised banks as part

⁴⁵² A Pharm & R Sritharan, *Problems Being Faced by Women Entrepreneurs in Rural Areas*, 2 The International Journal of Engineering And Science (IJES) 52-55 (2013).

⁴⁵³ S Mahajan, *Women Entrepreneurship in India*, 3 Global Journal of Management and Business Studies 1143-1148 (2011).

⁴⁵⁴ <http://www.mospi.gov.in/allindia-report-sixth-economic-census>.

⁴⁵⁵ <https://www.hindustantimes.com/business/boost-for-female-entrepreneurs-report-says-18-indian-startups-are-women-led-101676469765582.html>.

⁴⁵⁶ Jonathan Woetzel, *How advancing women's equality can add \$12 trillion to global growth*, McKinsey (Sept. 1, 2015), <https://www.mckinsey.com/featured-insights/employment-and-growth/how-advancing-womens-equality-can-add-12-trillion-to-global-growth>.

⁴⁵⁷ *Stand, Up India: STANDUP INDIA SCHEME FEATURES* <https://www.standupmitra.in/Home/SUISchemes>.

of the Pradhan Yojna. which offers financial assistance to female entrepreneurs who want to launch small businesses such as beauty salons, tutoring centres, tailoring units, etc. Under this programme, loans ranging from Rs. 50,001 to Rs. 50,001 are approved. There is no requirement for collateral or guarantors for loans under Rs. 10. It has three schemes-

- i. **Shishu:** Offers loans up to Rs. 50,000 with a 5-year repayment period and an interest rate of 1% per month for new businesses.
- ii. **Kishore:** Provides loans for well-established businesses ranging from Rs. 50,000 to Rs. 5 lakhs. Interest rates vary by bank, programme rules, and applicant credit history. Repayment is also subject to bank judgement.
- iii. **Tarun:** offers loans ranging from Rs. 5 to Rs. 50 for business expansion. Here, interest is also based on the bank, the rules of the programme, and the applicants' credit history. Repayment is also subject to bank judgement.⁴⁵⁸

3. **Dena Shakti Scheme:** Dena Bank offers this programme to female business owners in the sectors of agriculture and related activities, retail trade, microcredit, education, housing, and small and retail businesses. There is a rate of interest concession of 0.25%. The programme offers loans up to Rs 20,000 in the retail trade category, Rs 20,000 in the education and housing category, and Rs 50,000 in the micro credit category.⁴⁵⁹

4. **Startup India Scheme:** It was introduced in February 2016, and since then, it has grown to be the third-largest start-up ecosystem in the world, offering assistance, funding, incentives, and industry-academia partnerships to create an environment that is favourable for start-ups in the nation. A corpus fund of 10,000 crores has been set aside for the initiative to strengthen the ecosystem by supporting start-ups and innovation. The corpus fund has 10% set aside

for start-ups run by women. This would serve as a catalyst for the development of an environment that is supportive of innovation start-ups, having multiple effects on the creation of jobs and the social transformation that leads to growth.⁴⁶⁰

5. **Udyogini Scheme:** Women entrepreneurs operating small businesses in agriculture, retail, and related industries who are between the ages of 18 and 45 are eligible for loans up to \$16,000 under this programme. In order to qualify for this loan, her family's annual income must be no more than 45,000. For widowed, poor, or disabled women, there is an exception. A subsidy of 30% of the loan, up to Rs 10,000, is given to widowed, destitute, or disabled women from SC/ST categories, and a subsidy of 20% of the loan, or Rs. 7,500, whichever is less, is given to women in the general category. This loan is being provided by KSWDC, Sind Bank, and Punjab.⁴⁶¹

6. **Annapurna Scheme:** This scheme helps fund the establishment of a food catering unit by women for the sale of tiffin, food, lunch packs, etc. It provides loans up to Rs. 50,000. Utensils, other kitchen appliances, and other items can be purchased with the money provided as a loan under this programme. The market rate and the relevant bank both influence the interest rate. The loan must be secured by a guarantor and can be repaid in three years (36 monthly instalments). Women don't have to make EMI payments for the first month after the loan is approved.⁴⁶²

7. **Business loan from Bharatiya Mahila Bank (BMB):** BMB was established on November 19, 2019, and on April 1, 2017, it merged with State Bank of India. Women who wanted to launch their own business are eligible for this loan. It offered business loans to female entrepreneurs with an interest rate of 10.15% and above for manufacturing businesses up to 20 Crores.

⁴⁵⁸ Mudra, Micro Units Development & Refinance Agency Ltd. <https://www.mudra.org.in/>.

⁴⁵⁹ <https://www.indiafilings.com/learn/dena-shakti-scheme/>.

⁴⁶⁰ *Women Entrepreneurship*, (Dec. 16, 2022), https://www.startupindia.gov.in/content/sih/en/women_entrepreneurs.html.

⁴⁶¹ <https://udyogini.org/>.

⁴⁶² <https://annapurnapariwar.org/>.

Additionally, it provides Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)-covered collateral-free loans up to Rs. 1 crore. The loan repayment period for this bank loan programme is seven years.⁴⁶³

8. The Women Entrepreneurship Platform (WEP): It is a ground-breaking unified access portal that unites women from across India to create a supportive environment that paves the way for them to realise their entrepreneurial aspirations. The partnership aims to create a strong ecosystem that unites female entrepreneurs from various regions of India and provides them with the industry expertise, financial resources, and technical know-how they need to achieve their professional objectives. Facilitating the creation of an innovative aggregator platform that provides access to networking opportunities, mentorship, peer support, and a wealth of educational resources will be the main area of focus.⁴⁶⁴

9. Stree Shakti Package: Women who own 50% or more of a company or business and have participated in the Entrepreneurship Development Programmes (EDP) run by state agencies are eligible for the Stree Shakti package. If the loan amount exceeds Rs. 2 lakhs, the programme also provides a 0.5% interest rate discount. For loans up to Rs. 5 lakhs, there is no security requirement for small sector units.⁴⁶⁵

10. TREAD (Trade Related Entrepreneurship Assistance and Development) scheme: This programme aims to economically empower women by offering credit (through NGOs), training, development, and counselling activities pertaining to trades, goods, and services, among other things. The government will contribute up to 30% of the project's total cost, as determined by the lending institutions,

with the remaining 70% being financed by loans with assistance for the applicant women.⁴⁶⁶

VII. Suggestions

Following are the suggestions for the government to promote women entrepreneurs:

1. Women entrepreneurs are most motivated by support and encouragement from their families, communities, and governments. The government has launched a number of initiatives and programmes to support female entrepreneurs financially and to lift their spirits. Facilitating financial assistance for women and offering low- or no-interest loans to encourage them. Therefore, they should be more promoted by their peers.

2. Women can be trained in the use of machinery and other equipment by the government through training programmes that cost little or nothing.

3. With the purpose of empowering women, conferences, workshops, seminars, and webinars should be conducted. It is necessary to provide forums where aspiring female entrepreneurs may interact with successful ones, ask questions, and learn from their experiences.

4. Establishing certain laws and regulations is necessary for the empowerment of women. They can receive immediate assistance by using help desks, websites, and support forums.

5. Promoting home-based enterprises to help women successfully balance their domestic and professional obligations.

6. It is necessary to streamline the loan application process for banks and other governmental institutions. Women are the foundation of the country. Women are the most significant economic agents for the country's economic development since they serve as a

⁴⁶³ <http://indiafilings.com/learn/bhartiya-mahila-bank-business-loan/>.

⁴⁶⁴ Wep, <https://wep.gov.in/>.

⁴⁶⁵ <https://www.indiafilings.com/learn/stree-shakti-package-women-entrepreneurs/>.

⁴⁶⁶ Tread, Transportation Management System <https://tread.io/>.

development catalyst. Also, a nation advances and prospers when its women are educated and independent.

VIII. Conclusion

Women entrepreneurs are essential to societal and economic development. Despite making up roughly half of India's population, women have very little economic participation. India's female entrepreneurs are now becoming more prominent in non-traditional industries. Even though the government has created and put into place a number of supportive measures, the rate of female entrepreneurship in India is still alarmingly low. The majority of women-owned businesses are concentrated in the unregistered sector, making it impossible for them to take advantage of government assistance.

One of India's finest sons, Swami Vivekananda, once said, "A bird cannot fly on one wing; neither is there any prospect for the benefit of the world unless the status of women is addressed. The fact that "Women Empowerment" is included as one of the eight Millennium Development Goals further emphasises the significance of this reality. Apart from training programs, Newsletters, mentoring, trade fairs and exhibitions can also be a source for entrepreneurial development. As a result, the desired outcomes of the business are successfully achieved and more of remunerative business opportunities will be initiated which will lead to rapid economic growth and development.

It is obvious that very few women entrepreneurs use formal financing, even though the government provides a variety of financial support services to women entrepreneurs through financial institutions, industrial development organisations, and commercial banks. Therefore, it is necessary to investigate the factors that deter female entrepreneurs in India from considering formal sources of

financing and to take benefit from government schemes and policies.

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