



## **CONTRIBUTION OF WOMEN ENTREPRENEURS TOWARDS INDIAN ECONOMIC DEVELOPMENT**

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### **ABSTRACT**

One of the key elements in growing a nation's economy is entrepreneurship. The field of entrepreneurship has historically been dominated by men; however, this notion has been changed in the current period. Currently, 14% of all entrepreneurs in India are women, and there are more than 8 million women-owned firms. Women entrepreneurs in India make up about 22% of the GDP. More than 58% of female entrepreneurs were between the ages of 20 and 30 when they were founded. The goals of

the study are to determine how women entrepreneurs have helped the Indian

economy grow as well as what influences and barriers these women entrepreneurs face in India. According to the report, which focuses only on female entrepreneurs in India. This study, finds that rural areas are more established than in metropolitan areas in India. The workforce of women entrepreneurs also made up roughly by 10.24% in India. Tamil Nadu is the top-ranked state in India for the number of jobs produced by female entrepreneurs and for having more established businesses than other states. To compete with male entrepreneurs, there is still a need for awareness to be raised among women in India.

**Key words:** women entrepreneurs, Indian economy, contribution, awareness, barriers.

### **1. INTRODUCTION**

***"Women are the largest untapped reservoir of talent in the World." – Hillary Clinton***

The term "entrepreneur" used to apply to male business people. In order to compete in this



overwhelmingly male-dominated environment, women are now gradually entering the corporate world thanks to the effective rules, policies, and awareness that the Indian government has implemented. Women were formerly only allowed to work in the papad, pickle, and candle industries, but today they are allowed to work in the manufacturing, trading, and service sectors. The term "entrepreneur" has recently taken on a new meaning known as "Women Entrepreneur".

People may have different motivations for why women enter the workforce. Some have started businesses to help their families out of their financial difficulties. On the other hand, some have made the transition to financial independence. There aren't many women who have started businesses to grow family businesses. Women who pursue business as their passion are extremely rare. Whatever the cause, they are now starting businesses and making significant contributions to the Indian economy. The percentage may be

low right now, but it could increase in the future.

## **1.1 Success of Entrepreneur**

India's government launched massive programme to encourage and promote female entrepreneurs. Here are a few government programme for women entrepreneurs:

### ➤ Yojana Mudra

This programme aims to support micro and small businesses financially and encourage women entrepreneurs. Women can apply for loans up to Rs. 10,00,000 without putting up collateral, and lenders offer women entrepreneurs lower interest rates.

### ➤ Mahila Coir Yojana

Women must successfully finish a coir spinning training programme at one of the core board's training institutions in order to be eligible for subsidies that can cover up to 75% of the cost of equipment and machinery for core processing for women entrepreneurs.

### ➤ Udhayam Shakti Portal



It was established by the MSME ministry to support enterprises by offering goods and services at a low cost. Additionally, it provides support with company planning, incubation facilities, training programme, main township market research, etc. at an additional cost of Rs. 15 lakhs.

### ➤ Annapurna Scheme

This programme focuses on women who are interested in starting a food catering business.

This credit is available to female entrepreneurs for capital purchases like equipment. This strategy entices housewives to launch businesses. The loan maximum under this programme is Rs. 50,000.

### Inspiring Indian Women Entrepreneurs

#### Navalben Dalsangbhai Chaudhary

She is a Gujarati woman in her 62nd year. She owns 45 cows and more than 80 buffalo. She sold Rs. 87.95 lakh worth of milk in 2019. She sold milk worth Rs. 1.10 crore in 2020, making Rs. 3.5 lakh

each month in profit. She now has 15 employees working for her at the dairy.

### Gunavathy chandrasekaran

She is a woman of Tamil Nadu, age 41, and a resident of Sivakasi. She got involved in the quilling art. She is currently a business owner and offers quilled artwork under the name "Guna's Quilling." She was asked to speak at a conference in 2015 about how to become a successful entrepreneur by the British Council. She is a member of the UK-based quilling guild as well.

### 1.2 Problem faced by Women Entrepreneurs

#### (A) Pre Entrepreneurship Problems

1. Problem of Finance
2. Lack of Family support
3. Insufficient business knowledge
4. Lack of confidence
5. Fear of competition

#### (B) Post Entrepreneurship Challenges



1. Limited mobility
2. Dual responsibilities ( Family and Business)
3. Safety issues
4. Problem of unrecognized

### 1.3 Need of the study

In India, where over 49% of the population is female and the male-to-female ratio is almost equal, the economic contribution of women is particularly significant compared to that of men. Indian women entrepreneurs are underrepresented, thus if we raise their number, the country's economy will grow significantly.

### Objectives of the study

1. To study the contribution made by women entrepreneurs towards Indian economy.
2. To know the various factors improving the success rate of women entrepreneur.
3. To analyze the major challenges faced by women entrepreneur.

4. To suggest few techniques to improve the count of women entrepreneurs.

### 2. LITERATURE REVIEW

Neha Tiwari (2017) stated that more businesses run by women entrepreneurs are in the unregistered sector, hence they are not eligible for government assistance such as schemes.

According to SR Chaithra (2018), government and non-government organizations should step in to support women entrepreneurs in India. Additionally, a women's entrepreneurship guideline cell should be established to address the challenges that women entrepreneurs face.

According to Gurreen Kaur (2017), a women's entrepreneur training programme should begin in high school. This will encourage more women to start their own businesses, and training and counselling should be provided to those who are already doing so in order to address psychological issues like lack of confidence and fear of success.



Chinmayee Sahoo (2020) concluded that just a small portion of women in the urban middle class are being reached by government programme. Women entrepreneurs need to appropriately network with entrepreneurial traits in order to overcome obstacles and survive in a competitive market environment.

**3. RESEARCH METHODOLOGY**

In this study secondary data was used to make its conclusions. These numbers were gathered from a number of published research papers, journals, websites, reference books, etc.

**4. ANALYSIS**

**Table 1:** Classification of Establishments owned by Women Entrepreneur based on Area

Particulars	No. of Establishments	Percentage (%)
Rural Area	52,43,044	65.12
Urban Area	28,07,775	34.88
Total	80,50,819	100

Interpretation

According to the aforementioned table In India, there were 80,50,819 women-owned businesses. While 28,07,775 were located in urban areas, and the remaining 52,43,044 were located in rural areas. The majority of establishment owned by women entrepreneurs were in rural area.

**Table 2:** Top 5 State wise total number of Establishments under Women Entrepreneur

Particulars	No. of Establishments	Percentage (%)
Tamil Nadu	10,87,609	13.51
Kerala	9,13,917	11.35
Andhra Pradesh	8,49,912	10.56
West Bengal	8,31,337	10.33
Maharashtra	6,64,300	8.25

Interpretation

The table above demonstrates that Tamil Nadu had a higher proportion of all businesses in the nation that were owned by women. In total, 13.51% of



businesses were owned by women, and Tamil Nadu had the highest percentage when compared to other states in India.

**Table 3:** Top 5 State wise total number of person employed by Women Entrepreneurs

Particulars	No. of person employed	Percentage (%)
Tamil Nadu	1.85 Million	13.81
West Bengal	1.37 Million	10.21
Andhra Pradesh	1.32 Million	9.85
Maharashtra	1.09 Million	8.16
Gujarat	1.01 Million	7.45

**Interpretation**

According to the above table, there were 13.45 million people employed across all businesses run by women entrepreneurs. Compared to other Indian states, Tamil Nadu has a higher share. There were 8.2 Million (61.46%) people working in rural

Establishment and 5.12 Million (38.54%) in urban.

**Table 4:** Top 5 Total number of person employed by women based on Economic activities

Particulars	Percentage (%)
Agriculture	30.14
Manufacturing	29.36
Trading	17.69
Education	5.49
Other Services	5.37

**Interpretation**

According to the above data, the highest economic activity for the total number of people working in women establishments was agriculture (30.14%), which was followed by manufacturing, trade, education. The least economic activity for the overall number of individuals employed in female-owned businesses is other services.

**Table 5:** Total MSME



owned by Women  
Entrepreneur

Particulars	
Total MSME	1,47,50,018
Women owned MSME	27,75,390
% of Total Women Enterprises	18.82%

**Interpretation**

According to the table above there were 1,47,50,018 Micro Small Medium Enterprises in India. 27,75,390 of those MSMEs were owned by women. About 18.82% of MSME in India are owned by women.

**5. SUGGESTIONS**

Women currently contribute 22 percent of India's GDP, which is significantly less than the 45 percent global average. India ranked 57th among 65 countries. Only 3.37 percent of women in India received financial assistance from government sources. This is a very low number because there are more restrictions on who can benefit from government

programme, so by easing those restrictions, the government could attract more beneficiaries.

The government can also promote Mahila Coir Yojana. This programme enables female entrepreneurs to receive financial assistance for up to 75% of the cost of machinery and equipment needed for coir processing. This study suggests that this programme might be applied to all industrial

sectors. Even if the government introduces more alluring programme, they are ineffective unless awareness is raised among women in the country

**6. CONCLUSION:**

*“Respect all women, educate them and give them power”*

To support and elevate women, we must constantly speak up and raise our voices. Women have greater authority and equal possibilities to succeed. Finally, let's continue to promote women's empowerment in our communities and beyond by keeping in mind these wise remarks. When society as a whole is empowered, it reflects on the total contribution to economic



growth.

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