



Special Issue - Innovative Commerce: Bridging Business and Computer Applications (ICBBCA-2026)

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## Women Entrepreneurship in India: Growth, Challenges, and Future Prospects

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### Abstract

Women entrepreneurship has become a significant component of economic development and social transformation in India. In recent years, increasing educational opportunities, financial inclusion, digital technologies, and supportive government initiatives have encouraged more women to establish and manage business enterprises. Women entrepreneurs contribute to employment generation, innovation, and economic diversification while also promoting gender equality and social empowerment.

This study examines the growth of women entrepreneurship in India and analyzes the key challenges faced by women in establishing and expanding businesses. Using a descriptive research design and primary data collected from 80 women entrepreneurs, the research investigates the role of financial support, digital platforms, training opportunities, and government policies in promoting women-

owned enterprises. The findings reveal that while women entrepreneurs are increasingly entering sectors such as retail, services, handicrafts, and digital businesses, barriers such as limited access to finance, lack of managerial skills, socio-cultural constraints, and market competition continue to hinder their growth. The study concludes by highlighting strategic recommendations for policymakers, financial institutions, and educational institutions to strengthen women entrepreneurship and foster inclusive economic growth.

**Keywords:** Women Entrepreneurship, Women Empowerment, Small Business, Startups, Financial Inclusion, Government Schemes, Entrepreneurship Development.

### Introduction

Entrepreneurship is widely recognized as a powerful engine of economic growth, innovation, and employment generation. In recent decades, the participation of women in



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entrepreneurial activities has increased significantly across many countries, including India. Women entrepreneurs play a vital role in promoting economic development, reducing poverty, and improving social welfare by creating employment opportunities and contributing to local economies.

Traditionally, women in India were primarily engaged in household activities and informal economic work. However, with increasing access to education, technological advancements, and government support programs, many women are now entering the field of entrepreneurship. Women-owned businesses are emerging in diverse sectors such as food processing, retail trade, handicrafts, beauty services, fashion design, education services, and digital platforms.

The growth of women entrepreneurship reflects broader societal changes, including improved gender equality, financial inclusion, and the expansion of micro and small enterprises. Despite these positive developments, women entrepreneurs continue to face various structural and cultural challenges that limit their ability to fully realize their entrepreneurial potential. Understanding these challenges and identifying strategies to support women entrepreneurs is crucial for sustainable economic development in India.

### Statement of the Problem

Although the number of women entrepreneurs in India has increased in recent

years, their participation in business ownership remains relatively low compared to men. Women often face multiple barriers when starting or expanding their businesses. These barriers include limited access to financial resources, lack of business training, inadequate market information, and societal expectations that prioritize family responsibilities over professional ambitions.

In addition, women entrepreneurs frequently encounter difficulties in obtaining credit from financial institutions, accessing formal business networks, and adopting modern technologies. These constraints limit the growth and sustainability of women-owned enterprises. The persistence of gender-based inequalities in economic opportunities highlights the need for focused research on women entrepreneurship in India.

Therefore, this study aims to analyze the growth, challenges, and future prospects of women entrepreneurship in India and to identify measures that can enhance women's participation in entrepreneurial activities.

### Objectives of the Study

- To examine the growth of women entrepreneurship in India.
- To identify the major challenges faced by women entrepreneurs.
- To analyze the opportunities available for women entrepreneurs in the modern economy.



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➤ To suggest measures for promoting and strengthening women entrepreneurship in India.

## Methodology

The present study adopts a descriptive research methodology to examine the status of women entrepreneurship in India. Primary data were collected from 80 women entrepreneurs operating in different sectors such as retail trade, tailoring, food processing, handicrafts, and service industries.

A structured questionnaire was used to gather information about the respondents' business activities, sources of finance, challenges faced, and future growth prospects. Secondary data were collected from research journals, government reports, books, and online publications related to entrepreneurship and women empowerment.

The collected data were analysed using simple statistical tools such as percentages and mean values to interpret the responses and identify key trends influencing women entrepreneurship.

## Review of Literature

The concept of entrepreneurship as a driver of economic development was first emphasized by Joseph Schumpeter (1934), who described entrepreneurs as innovators responsible for introducing new products and processes in the economy. Later, Peter F. Drucker (1985) highlighted that entrepreneurship involves identifying

opportunities and creating value through innovation and effective resource utilization.

Research studies on women entrepreneurship have increasingly focused on the role of education, financial support, and institutional frameworks in promoting women's participation in business. Reports by the World Economic Forum indicate that empowering women entrepreneurs can significantly contribute to economic productivity and inclusive growth.

Similarly, studies conducted by the Organisation for Economic Co-operation and Development highlight that access to finance, supportive policies, and entrepreneurship education are essential factors for the development of women-owned enterprises. Despite growing opportunities, many studies emphasize that gender-based discrimination, lack of capital, and limited market access continue to pose challenges for women entrepreneurs in developing countries.

## Data Analysis and Interpretation

Respondents were asked to identify the sectors in which they operate their businesses. The data shows that women entrepreneurs are mainly concentrated in small-scale and service-oriented sectors. The majority of respondents are involved in retail and small trading activities. This sector attracts many women because it requires comparatively low investment and basic business skills. A considerable number of respondents are

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S.No	Sector	No. of Respondents	Percentage	Mean Value
1	Retail and Small Trading	24	30%	0.30
2	Food Processing & Catering	20	25%	0.25
3	Tailoring and Fashion Design	16	20%	0.20
4	Handicrafts and Home-based Products	12	15%	0.15
5	Digital and Online Services	8	10%	0.10
	<b>Total</b>	<b>80</b>	<b>100%</b>	<b>0.20 (Average Mean)</b>

**Table 1: Sector Distribution of Women Entrepreneurs**

**Fig 1: Sector Distribution of Women Entrepreneurs**



engaged in food processing and catering businesses.

These activities are popular as they are often based on traditional cooking skills and local market demand. Some women entrepreneurs are involved in tailoring and fashion design, which reflects the importance of skill-based occupations. Handicrafts and home-based product businesses also provide opportunities for women to work from home. These sectors allow women to balance family responsibilities along with business activities.

A smaller number of respondents operate in digital and online services. Overall, the sector distribution shows that most women entrepreneurs prefer traditional, small-scale, and home-based businesses.

**Findings**

- The study shows that the majority of respondents, 24 women (30%), are engaged in retail and small trading activities, indicating that this sector provides easy entry and requires relatively low investment for women entrepreneurs.
- It is observed that 20 respondents (25%) are involved in food processing and catering businesses, showing that food-related enterprises are a popular choice due to household skills and increasing market demand.



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- The data indicates that 16 respondents (20%) are engaged in tailoring and fashion design, highlighting the importance of skill-based businesses among women entrepreneurs.
- The study also reveals that 12 respondents (15%) are involved in handicrafts and home-based product businesses, which allow women to work from home while balancing family responsibilities.
- Only 8 respondents (10%) are engaged in digital and online services, suggesting that comparatively fewer women entrepreneurs have entered technology-based or digital business sectors.
- Overall, the findings show that most women entrepreneurs prefer traditional and home-based sectors, while participation in modern digital sectors is still limited among the respondents.

## Conclusion

Women entrepreneurship in India has shown significant growth in recent years and has become an important factor in economic and social development. The study reveals that many women are actively participating in various business sectors such as retail trading, food processing, tailoring, handicrafts, and digital services. These entrepreneurial activities help women achieve financial independence, improve their living standards, and contribute to employment generation. Government schemes, training programs, and

increasing awareness have also encouraged more women to start their own businesses.

However, women entrepreneurs still face several challenges such as limited access to finance, lack of business training, social barriers, and restricted market opportunities. Despite these obstacles, the future prospects for women entrepreneurship are promising with the support of government initiatives, digital technology, and skill development programs. Encouraging women entrepreneurship will not only strengthen the economy but also promote gender equality and sustainable development in society.

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