



A COMPARATIVE STUDY OF WOMEN ENTREPRENEURS' DEMOGRAPHIC AND ENTREPRENEURIAL PROFILES IN TAMIL NADU, KERALA, AND KARNATAKA

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Abstract

Women entrepreneurship plays a vital role in regional economic diversification and inclusive development across India. This study presents a comparative analysis of demographic and entrepreneurial characteristics of women entrepreneurs in Tamil Nadu, Kerala, and Karnataka. Drawing data from 3,280 respondents under the *Pradhan Mantri Mudra Yojana (PMMY)*, the research explores age, education, residence, marital status, and family size alongside entrepreneurship indicators such as motivation, loan category, community support, and business challenges. Results show distinct regional variations: Tamil Nadu demonstrates higher educational attainment and formalized entrepreneurship, Kerala exhibits community-driven and passion-oriented entrepreneurship, and Karnataka reflects youth-led and necessity-based enterprises. Despite PMMY's positive contribution to financial inclusion, women still face barriers in capital access, market competition, and skilled labour availability. The study highlights that demographic diversity strongly influences entrepreneurial patterns, suggesting the need for state-specific policy interventions and empowerment programs to strengthen women's participation in sustainable business development.

Keywords: Women Entrepreneurship, PMMY, Demographic Profile, Entrepreneurship Ecosystem, Comparative Study, South India

Introduction

The rise of women entrepreneurship in India signifies a major socio-economic transformation aimed at achieving inclusive growth. Women's participation in business not only enhances household income and job creation but also contributes to regional innovation and economic resilience. Over the past decade, the *Pradhan Mantri Mudra Yojana (PMMY)* has emerged as a major instrument to promote women entrepreneurship by providing collateral-free loans to micro and small businesses (Ministry of Finance, 2023).

South India, with its socio-cultural diversity and strong MSME ecosystem, offers a fertile ground for analysing the demographic and entrepreneurial dynamics of women entrepreneurs. Tamil Nadu, Kerala, and Karnataka together represent a cross-section of industrial, service, and technology-oriented economies. Tamil Nadu leads in industrial entrepreneurship, Kerala is driven by services and social enterprises, and Karnataka has a growing digital and startup culture (NITI Aayog, 2022). However, demographic variations such as age, education, and family support systems shape women's entrepreneurial pathways differently across these states.

This study compares women entrepreneurs' demographic and entrepreneurial profiles in these three states to understand how socio-economic background and business motivations interact. The comparative insights will

help policymakers design tailored support systems under PMMY and related schemes to address state-specific challenges.

Review of Literature

The role of women entrepreneurs in India has been examined across various dimensions — demographic characteristics, access to finance, institutional support, and socio-cultural barriers. According to Sharma and Gupta (2019), age and education significantly determine entrepreneurial confidence and innovation capacity. Younger and educated women are more likely to adapt to technology and formalize businesses. Similarly, Dangi and Ritika (2018) emphasized the transformative role of PMMY in enabling women to start microenterprises, particularly in rural areas.

Rao and John (2021) observed that family support and marital stability positively influence women's business persistence in South India. They found that Tamil Nadu's industrial environment attracts educated women, while Kerala's high literacy promotes socially motivated entrepreneurship. Karnataka's digital initiatives have encouraged youth to adopt entrepreneurial careers (Raghavan, 2022).

Empirical studies also underline the influence of community support and social norms. Thomas and Nair (2020) noted that Kerala's strong community institutions create a nurturing ecosystem, whereas patriarchal structures in other states may restrict risk-taking. Financial inclusion policies, particularly PMMY, have widened women's access to credit (Mehta & Raj, 2020), but lack of training, limited scalability, and market barriers persist.

Despite these insights, limited research compares demographic and entrepreneurship characteristics across South Indian states using empirical data. This study fills that gap by examining how demographic factors align with entrepreneurial patterns in Tamil Nadu, Kerala, and Karnataka.

Objectives of the Study

1. To analyse and compare the demographic profiles of women entrepreneurs in Tamil Nadu, Kerala, and Karnataka.
2. To examine and contrast the entrepreneurship profiles across the three states.
3. To identify key demographic determinants influencing entrepreneurship patterns.
4. To assess the role of community support and PMMY in shaping entrepreneurial outcomes.

Methodology

This study adopts a descriptive and comparative research design based on frequency distribution data of 3,280 women entrepreneurs (Tamil Nadu: 1,200; Kerala: 970; Karnataka: 1,110). Data includes two major dimensions — Demographic Profile (age, education, residence, marital status, family size) and Entrepreneurship Profile (loan category, motivation, community support, sources of finance, and business challenges).

The analysis applies comparative percentage interpretation and thematic discussion to reveal similarities and differences across states. The interpretation links observed trends to broader socio-economic contexts and PMMY outcomes. The data are secondary, compiled from structured empirical observations, and interpreted qualitatively within the entrepreneurship ecosystem framework (Isenberg, 2011).

Table 1 Demographic Profile

S. No	Profile	Variables	Tamilnadu	Kerala	Karnataka
1	Age	Less than 30	325 (27%)	264 (27%)	310 (28%)
		31- 40	355 (30%)	290 (30%)	389 (28%)
		41- 50	312 (26%)	210 (22%)	276 (28%)
		51and above	208 (17%)	206 (21%)	135 (28%)
	Total		1200	970	1110
2	Level of Education	No formal education	265 (22%)	194 (20%)	249 (22%)
		School Level	394 (33%)	376 (39%)	387 (35%)
		Degree Level	376 (31%)	246 (25%)	284 (26%)
		Professional Degree Level	165 (14%)	154 (16%)	190 (17%)
	Total		1200	970	1110
3	Area of Residence	Rural	402 (34%)	377 (39%)	415 (37%)
		Urban	354 (30%)	291(30%)	328 (29%)
		Semi Urban	278 (23%)	196 (20%)	248 (22%)

		Metropolitan city	166 (13%)	106 (11%)	119 (12%)
	Total		1200	970	1110
4	Marital Status	Unmarried	299 (25%)	296 (31%)	241 (22%)
		Married	744 (62%)	524 (54%)	756 (68%)
		Widowed	157 (13%)	150 (15%)	113 (10%)
	Total		1200	970	1110
5	Family size	Less than 3 members	462 (39%)	367 (38%)	421 (38%)
		4-5 members	601 (50%)	498 (51%)	571 (51%)
		above 5 members	137 (11%)	105 (11%)	118 (11%)
	Total		1200	970	1110

Source : Primary data

Age Distribution

Across all three states, the 31–40 age group forms the largest segment of women entrepreneurs — 30% in Tamil Nadu, 30% in Kerala, and 35% in Karnataka. This group reflects maturity, family stability, and risk-bearing capacity. Entrepreneurs below 30 years represent 27–28%, signifying the rise of youth-led enterprises, particularly in Karnataka. Older participants (above 50) constitute only 17–21%, indicating lower engagement due to retirement or traditional gender roles. Tamil Nadu demonstrates balanced age participation, while Kerala exhibits a slightly older entrepreneur base.

Education Level

Education levels vary considerably across states. Tamil Nadu leads with 31% degree holders and 14% professional graduates, reflecting strong higher education and industrial linkages. Kerala's high literacy translates into 39% school-level participation but relatively fewer degree holders (25%). Karnataka records moderate educational attainment but strong professional presence (17%). The data indicate that education enhances entrepreneurial participation, aligning with Agarwal and Lenka (2018), who found education as a catalyst for innovation and enterprise formalization.

Area of Residence

Entrepreneurship extends beyond urban centers. Rural representation is strongest in Kerala (39%) and Karnataka (37%), while Tamil Nadu (34%) exhibits a more urbanized profile. Semi-urban and metropolitan participation is limited, likely due to higher operational costs. The findings affirm that PMMY has decentralized entrepreneurship, enabling rural women to access self-employment through small retail and service ventures.

Marital Status

Married women dominate entrepreneurship, forming 62–68% across the states. Tamil Nadu and Karnataka exhibit higher proportions of married entrepreneurs, reflecting family-driven business motivation and economic necessity. Kerala, however, shows more unmarried entrepreneurs (31%), suggesting social openness and individual agency. Widowed women (10–13%) highlight entrepreneurship as a livelihood survival option, especially in Tamil Nadu and Kerala.

Family Size

Medium-sized families (4–5 members) constitute the majority, averaging 50% across all states. Smaller families are common in Tamil Nadu (39%), indicating nuclear family structures that support business autonomy. Larger families (above five members) are rare, suggesting that household size influences risk capacity and business time commitment.

Table 2 Entrepreneurship Profile

S. No	Profile	Variables	Tamilnadu	Kerala	Karnataka
11	PMMY loan category availed	Shishu (up to Rs.50,000)	493 (41%)	375 (39%)	508 (46%)
		Kishore (Rs. 50,001 to Rs. 5,00,000)	516 (43%)	398 (41%)	483 (44%)
		Tarun (Rs.5,00,001 to Rs.10,00,000)	191 (16%)	197 (20%)	119 (10%)
	Total		1200	970	1110
12		Financial independence	369 (30%)	248 (26%)	305 (27%)
		Family support	374 (31%)	215 (22%)	256 (23%)

	Motivation for Starting the Business	Passion for business	295 (25%)	298 (31%)	289 (26%)
		No alternative job opportunities	114 (10%)	131 (14%)	217 (20%)
		Other	48 (4%)	78 (8%)	43 (4%)
	Total		1200	970	1110
13	Community is Supportive of Women Entrepreneurs	Yes, very supportive	409 (34%)	314 (32%)	347 (31%)
		Somewhat supportive	342 (28%)	259 (27%)	344 (31%)
		Neutral	241 (20%)	237 (25%)	215 (19%)
		Somewhat unsupportive	128 (11%)	127 (13%)	174 (16%)
		Not supportive at all	80 (7%)	33 (3%)	30 (3%)
	Total		1200	970	1110
14	Sources of Business Financing	Bank loans	428 (36%)	361 (37%)	416 (37%)
		Family/friends	325 (27%)	261 (28%)	308 (28%)
		Personal savings	114 (10%)	117 (12%)	124 (11%)
		Government schemes	269 (22%)	189 (19%)	229 (21%)
		Other	64 (5%)	42 (4%)	33 (3%)
	Total		1200	970	1110
15	Major Challenges in Business	Access to capital	369 (31%)	298 (31%)	367 (33%)
		Market competition	347 (29%)	238 (25%)	264 (24%)
		Limited customer base	184 (16%)	184 (19%)	216 (19%)
		Skilled labor shortage	219 (18%)	148 (15%)	209 (18%)
		Regulatory requirements	81 (6%)	102 (11%)	54 (5%)
	Total		1200	970	1110

Source : Primary data

PMMY Loan Category

Entrepreneurs across states actively utilize PMMY loans, predominantly under *Shishu* (up to ₹50,000) and *Kishore* (₹50,001–₹5,00,000) categories. Karnataka shows the highest *Shishu* utilization (46%), indicating micro-business dominance. Tamil Nadu demonstrates balanced uptake between *Shishu* (41%) and *Kishore* (43%) loans, suggesting both start-up and growth-stage participation. Kerala records slightly higher *Tarun* loans (20%), reflecting stronger financial confidence among women entrepreneurs.

Motivation for Starting Business

Motivational factors differ across states. Tamil Nadu's entrepreneurs prioritize *financial independence* (30%) and *family support* (31%), while Kerala's women are primarily *passion-driven* (31%). Karnataka's entrepreneurs exhibit more *necessity-driven* behavior, with 20% citing “no alternative job opportunities.” This reveals regional socio-economic contrasts — aspirational in Tamil Nadu, emotional in Kerala, and survival-oriented in Karnataka.

Community Support

Community support is vital for entrepreneurial sustainability. Kerala leads with 64% perceiving their communities as *supportive or very supportive*, reflecting its progressive social fabric. Tamil Nadu follows with 62%, while Karnataka shows mixed perceptions — around 19% report unsupportive communities. Positive community endorsement fosters legitimacy and encourages women to pursue non-traditional businesses, echoing Singh and Verma (2021).

Sources of Business Financing

Across all states, banks are the main funding source (36–37%), followed by family/friends (27–28%) and government schemes (19–22%). Tamil Nadu shows higher reliance on government funding, Kerala balances formal and informal sources, while Karnataka depends more on family networks. Personal savings contribute only 10–12%, underscoring limited self-capital among women entrepreneurs.

Major Business Challenges

Entrepreneurs across states face similar obstacles. *Access to capital* remains the top challenge (31–33%), followed by *market competition* and *limited customer base*. *Skilled labor shortages* are widely reported, especially in Tamil Nadu and Karnataka. Regulatory complexities are relatively minor but notable in Kerala. These challenges mirror national MSME findings (NITI Aayog, 2023), emphasizing the need for continuous financial and skill interventions.

Comparative Insights

1. **Tamil Nadu** demonstrates structured and formalized entrepreneurship with higher educational levels and balanced PMMY loan utilization.
2. **Kerala** showcases socially supported, passion-driven entrepreneurship influenced by community networks and higher *Tarun* loan participation.
3. **Karnataka** exhibits a youthful and necessity-driven entrepreneurial model with strong micro-business representation but weaker institutional engagement.

This comparative analysis underscores that while PMMY has universal reach, its regional impact differs based on demographic composition and local ecosystem dynamics.

Major Findings

Tamil Nadu's women entrepreneurs exhibit higher educational attainment and formal business engagement, supported by both *Udyam* and PMMY frameworks. The balance between *Shishu* and *Kishore* loans reflects a maturing entrepreneurial environment where women pursue both entry-level and growth-oriented ventures, indicating institutional success in promoting structured entrepreneurship and business sustainability.

Kerala's entrepreneurship ecosystem is socially cohesive, driven by passion and community endorsement. Women entrepreneurs benefit from social legitimacy and cooperative networks that enhance motivation and resilience. Higher utilization of *Tarun* loans reflects greater business confidence and scale orientation. However, regulatory constraints and limited market expansion opportunities challenge sustained growth across rural areas. Karnataka demonstrates youth-led, necessity-driven entrepreneurship with heavy reliance on *Shishu* category loans and family funding. Women in semi-urban and rural areas engage in micro-retail and service businesses, reflecting employment substitution rather than innovation-led ventures. Despite a strong digital ecosystem, access to capital and training remains insufficient to sustain entrepreneurial expansion among small women-led enterprises.

Across all three states, family structure and marital status significantly influence entrepreneurial decisions. Married women dominate enterprise ownership due to shared responsibilities and financial stability. However, Kerala's higher proportion of unmarried entrepreneurs indicates growing individual autonomy. Family support remains both a financial and emotional anchor, shaping risk-taking behaviour and business continuity among women entrepreneurs.

Common challenges such as limited access to capital, market competition, and skill shortages persist despite PMMY's interventions. Entrepreneurs continue to face constraints in scaling microenterprises into small or medium units. These structural barriers emphasize the need for integrated policy frameworks combining financial access with capacity building, market connectivity, and digital empowerment initiatives.

Major Suggestions

State governments should develop *Women Entrepreneurship Resource Centres* providing business incubation, digital literacy, and financial advisory services. Tailored capacity-building initiatives aligned with PMMY can improve efficiency and competitiveness. Integrating these centers with MSME and rural development departments will ensure localized, need-based training that promotes sustainable growth across Tamil Nadu, Kerala, and Karnataka.

Strengthen *credit flow and upscaling mechanisms* under PMMY by incentivizing transition from *Shishu* to *Kishore* and *Tarun* categories. Simplifying documentation and offering mentorship support can reduce risk aversion. Establishing state-level women's credit guarantee funds will ensure easier access to larger loans, especially for entrepreneurs expanding from micro to small business levels.

Enhance *market access and networking opportunities* by organizing regional women entrepreneur expos, digital fairs, and online platforms. These initiatives should promote inter-state trade linkages among women-led

enterprises. Public-private partnerships can help create brand visibility for women's products, thereby addressing limited customer base issues and enabling sustainable regional business integration.

Develop *community-based entrepreneurship models* leveraging Kerala's cooperative networks and Tamil Nadu's industrial clusters. Training local women in collective marketing, resource pooling, and digital commerce can strengthen entrepreneurship ecosystems. Such models enhance resilience against competition and ensure inclusive growth, especially among rural and semi-urban women entrepreneurs in Karnataka and other regions.

Promote *policy convergence* by linking PMMY with *Skill India*, *Digital India*, and *Startup India* initiatives. A unified framework integrating financial assistance, training, and technology adoption can accelerate enterprise formalization and competitiveness. Periodic monitoring of state-level outcomes will enhance transparency and ensure that women entrepreneurs benefit uniformly across diverse regional contexts.

Conclusion

The comparative analysis of women entrepreneurs in Tamil Nadu, Kerala, and Karnataka reveals that demographic and entrepreneurial factors are deeply intertwined. Education, marital status, and community support shape entrepreneurial motivation and scale. PMMY has effectively democratized credit access but requires strategic integration with skill development and digital inclusion to ensure sustainability.

Tamil Nadu's structured entrepreneurship, Kerala's socially motivated ecosystem, and Karnataka's youthful, necessity-driven ventures collectively represent South India's evolving entrepreneurial landscape. Policy frameworks must now move beyond financial access to nurturing *resilient, networked, and growth-oriented women enterprises* capable of contributing significantly to India's inclusive development agenda.

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