



# A Quantitative Study on Women Entrepreneurship in India -Evidence from Economic Census & MoSPI

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## **ABSTRACT**

The study examines the state of women's entrepreneurship in India, emphasizing its current state, male & female gap in the entrepreneurial sector, and reasons for slow growth in women entrepreneurship. The study emphasizes the vital role that female entrepreneurs play in promoting economic growth by using data and statistics from official government website of **MoSPI & MSME**. The data is also sourced from Sixth Economic Census of Government to understand the MSME's & IME's wise distribution of Women owned entrepreneurship. It was aim to understand the major sources of finance being looked up for venturing into entrepreneurship by women in India. The study also highlighted the plausible reasons that may be acting as a barrier for growth of women entrepreneurship.

**Keywords:** Women Entrepreneurs, Entrepreneurs, Start-ups

## **I.INTRODUCTION:**

Women entrepreneurs are rapidly being recognized as key drivers of economic growth and shining stars in developing countries, contributing a lot to prosperity and welfare. A woman entrepreneur is defined as an individual or group of women who initiate, manage, and operate a business venture. According to the Government of India, a women-owned enterprise is one in which women hold at least 51% of the financial stake and generate a minimum of 51% of employment opportunities for women within the organization.

The growing presence of women entrepreneurs in developing countries has drawn attention from academia and the development sector. Women are often motivated to pursue entrepreneurship by two factors: push and pull. Pull factors drive women to seek independent careers, make their self-decisions, and to uptake challenges to achieve something new. Push factors, on the other hand, pressurize women to take up entrepreneurship due to

family responsibilities or financial necessity. Educated women, majorly, are increasingly stepping out of traditional domestic roles to demand equal respect and opportunities alongside men.

However, Indian women still face significant challenges of two types, that is societal and cultural challenges rooted in a male-dominated social structure. Historically, women were seen as the weaker gender, mostly dependent on male family members for decision-making and support. Despite this, women are huge underutilized resource. In last few years, India has witnessed many inspiring success stories of women who have risen above these challenges & boundaries, earning recognition and respect for their achievements.

The role of Indian women in society have been transformed due to the changing educational landscape and aspirations for improved living standards. Women are now competing alongside men in many spheres, including business. Assertiveness, persuasiveness, risk-taking abilities, and resilience are the characteristics of successful women entrepreneurs. Their capacity to learn, solve problems creatively, to inspire others, and showcase grace in both victory and defeat has enabled them to thrive in the face of cut-throat competition, paving the way for a brighter, content and more inclusive future.

(SSRN: <https://ssrn.com/abstract=3110340> or <http://dx.doi.org/10.2139/ssrn.3110340>)

## **II. RESEARCH METHODOLOGY**

### **2.1. Objectives:**

- 1) To understand the concept of Women Entrepreneurship in India.
- 2) To study the current scenario of Women owned entrepreneurship in India.
- 3) To evaluate the reasons for the slow growth of Female owned Establishments in India.
- 4) To recommend the ideas for promoting female owned Establishments in India.

### **2.2. Hypothesis:**

H0: Female owned Establishments are equal to male owned establishments in India.

H1: Female owned Establishments are not equal to male owned establishments in India.

### **2.3. Scope of the study:**

The central idea of this study is to understand the nature of Women owned Establishments in India. The idea is to understand the contribution of women owned MSME's & Start-ups in India. It highlighted the top contributing women owned startups states. The study examines different sources of Finance resorted by Women Entrepreneurs to start their venture. It is also an aim to understand the reasons for slow growth in entrepreneurship by women.

## 2.4. Limitations of the study:

**Lack of Access to Raw Data:** Government websites (MoSPI) often provide summarized data or statistics rather than raw data. It may restrict researchers who want to conduct detailed analyses.

**Challenges in Comparability:** Government entities may have used a variety of definitions, measurement tools, or methods of categorization, making it not feasible to compare data across sources or over time.

## 2.5. Significance of the study:

The study explores women's empowerment, agency development, and overall well-being through examining their entrepreneurial endeavours within the Sustainable Development Goals (SDGs) framework. It proposes that women's entrepreneurship offers not only economic benefits but also addresses deeper issues of gendered vulnerability across various social groups. The study emphasizes that fostering entrepreneurship among women can build their agency, facilitating sustained participation in the workforce. Additionally, the article provides policy recommendations to support these goals, highlighting entrepreneurship as a means of advancing gender equality and strengthening women's roles in the economy.

## 2.6. Methodology of the study:

The researcher of this study has collected information from Secondary Sources only.

The data has been collected from Ministry of Statistics & Programme Implementation (MoSPI) website.

## III. LITERATURE REVIEW:

1. **Ellina Samantroy , J. S. Tomar (2018)** in their Research Article, “ **Women Entrepreneurship in India: Evidence from Economic Censuses**” published in SAGE Journals tried to contextualize the queries of women empowerment & entrepreneurial activities done by women in India. Lastly, they tried to provide policy recommendations to bridge down this gender vulnerabilities gap. Their article was largely based on Survey Report of Economic Census & National Sample Survey Reports.

2. **Ministry of Statistics and Programme Implementation** is a government of India ministry that was established on October 15, 1999. The website of MoSPI includes all the statistical information collected & analysed by government it helps them in finding the issues & framing the policies for development. The data of Women owned MSME's & IME's is sourced from this website.

3. **Koneru, Kalpana and Koneru, Kalpana**, in their research paper “**Women Entrepreneurship in India - Problems and Prospects (April 25, 2017)**”, submitted in SSRN Journal in their paper tried to studied the concept of Women Entrepreneurs, Reasons why women become entrepreneurs along with Reasons for slow progress of women entrepreneurs in India. Further in the paper there were suggestions for the growth of women

entrepreneurs, some schemes for promotion & development of women entrepreneurship in India. The paper was concluded with a Case study of a women entrepreneur of Ludhiana.

**4. The Micro, Small, and Medium Enterprises (MSME)** on their website **msme.gov.in** has described how this sector has become a dynamic and integral part of India's economy over the past five decades. It plays a significant role in the country's economic and social development by promoting entrepreneurship and creating employment opportunities at relatively low capital costs, second only to agriculture. MSMEs also complement large industries by functioning as ancillary units, thereby contributing substantially to the inclusive growth of the industrial sector.

5. The Management enthusiast on their website : <https://managemententhusiast.com/> in their web blog <https://managemententhusiast.com/top-11-government-schemes-for-women-entrepreneurs-in-india-empowering-women-in-business/> described the government that has been launched by government of India to help the Women entrepreneurs to start their entrepreneurial journey. .

#### **IV. DATA PRESENTATION AND INTERPRETATION**

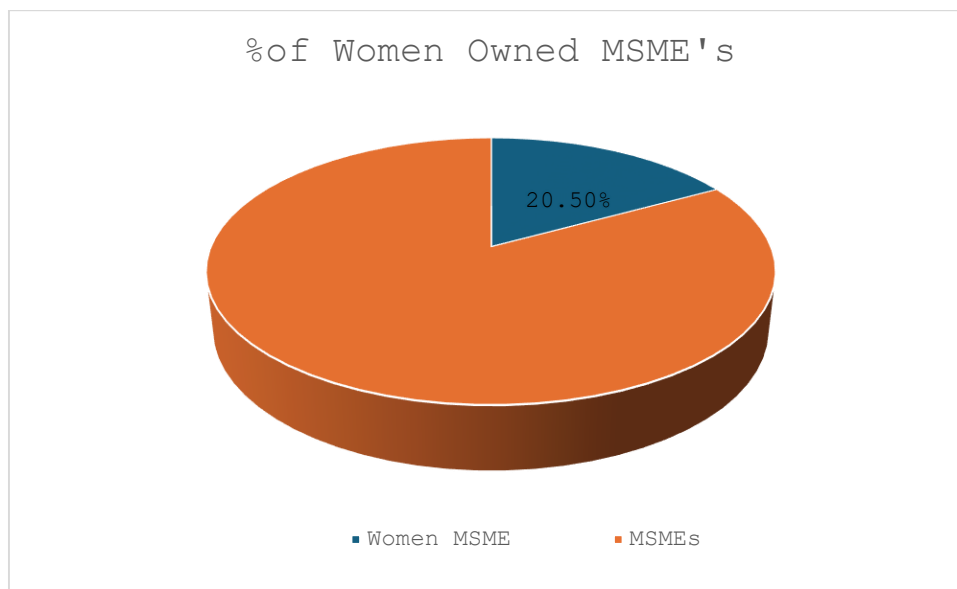
**Table 1:**

**Contribution of Women-owned MSMEs to total MSMEs registered on Udyam registration portal since Inception of the portal (1 July 2020 to 31 Jan 2024)**

Category	Total	Employment	Investment (Rs In Crore)	Turnover (Rs In Crore)
Women MSME	4667278	28407069	126845.12	1714992.98
MSMEs	22819417	151668034	1137237	16784358
%age of Women owned MSMEs	20.50%	18.73%	11.15%	10.22%

Source : Answer to Rajya Sabha unstarred Question No. 263 Dated 05.02.2024 by Ministry of MSME ([www.mospi.gov.in](http://www.mospi.gov.in))

**Graph 1:**



(Drawn from above sourced Data)

### **INTERPRETATION:**

It is understood from above data that out of total MSME's (Micro, Small and Medium Enterprises in India.) registered on Udyam portal since Inception of the portal i.e. from 1 July 2020 to 31 Jan 2024, only 20.50% are owned by Women Entrepreneurs. It highlights a big fact that only one-fifth of the total MSME's are owned by women. If we look at the contribution of Women MSME's to the total turnover of all MSME's, it is only about 10.22 percent. It showcases that the contribution of women in entrepreneurial activities at micro, medium & small scale is still quite low. It stressed the need to take action to enhance more assistance programs for women to help them venture into entrepreneurship activities.

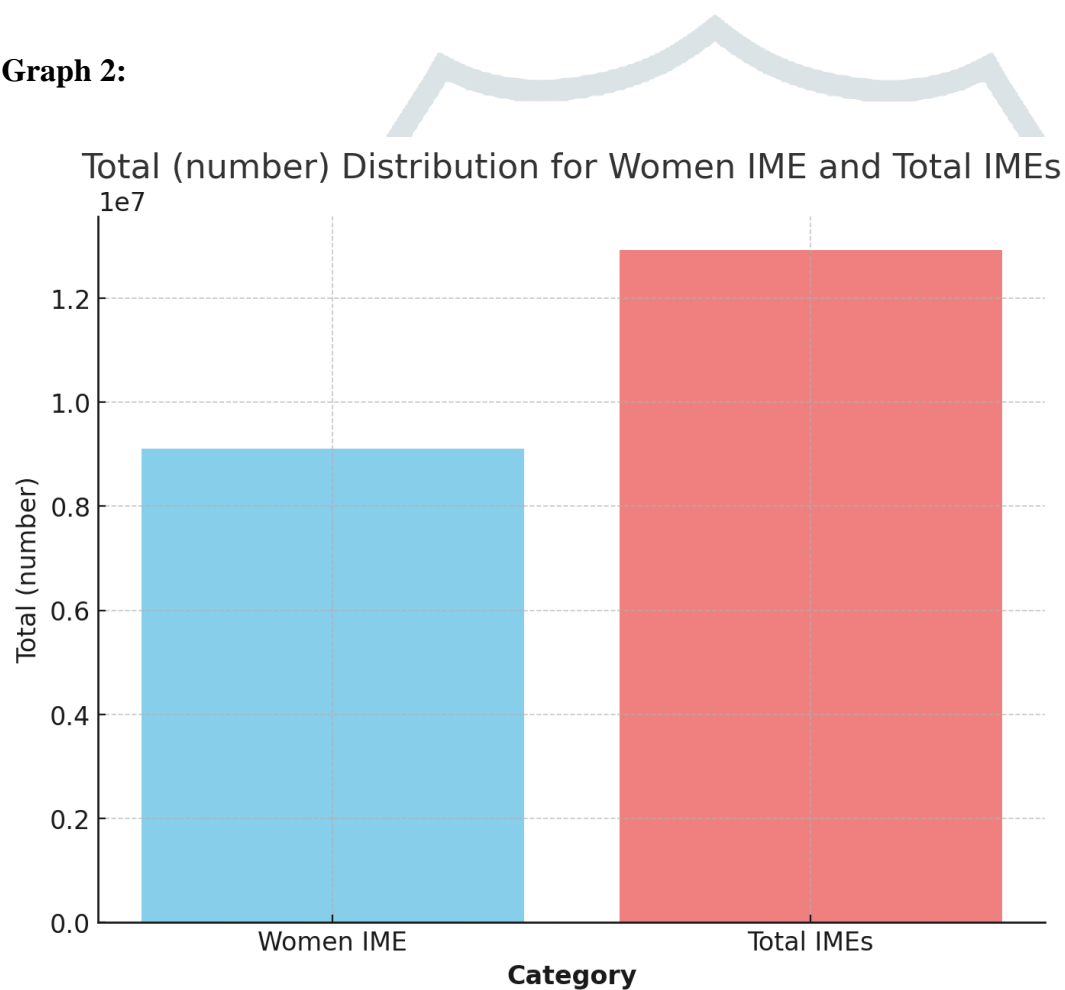
**Table.2 :**

**Contribution of Women-owned Informal Micro Enterprises (IMEs) to total IMEs registered on Udyam Assist Platform since Inception of the portal (11.01.2023 to 31.01.2024)**

Category	Total (number)	Employment (no. of persons)
Women IME	9108058	11023945
IMEs	12920177	15561967
Percentage (%)	70.49%	70.84

Source : Answer to Rajya Sabha unstarred Question No. 263 Dated 05.02.2024 by Ministry of MSME

([www.mospi.gov.in](http://www.mospi.gov.in))

**Graph 2:**

(Drawn from above sourced Data)

### **INTERPRETATION:**

Government of India has clarified that IMEs are those enterprises which are unable to get registered on the Udyam Registration Portal (URP) due to lack of mandatory required documents such as Permanent Account

Number (PAN) or Goods and Services Tax Identification Number (GSTIN).(  
<https://bfsi.economicstimes.indiatimes.com/news>).

It is understood from above data that out of total IME's (Informal Micro Enterprises in India registered on Udyam portal since Inception of the portal i.e. from 11.01.2023 to 31.01.2024, almost 70.49% are owned by Women Entrepreneurs. The figures are quite huge in case of IME's which is not a positive sign. This means most of the Women owned establishments are not registered on Udyam portal due to unavailability of legal documents. This may act as a hindrance for them in long run as they may be able to take advantage of various assistance schemes & programs launched by Government of India.

However recently Government of India has made IMEs not having GSTIN are allowed to register on Udyam Assist Platform. During the 14 months prior to March 2024, total registrations of IMEs on the Udyam Assist Platform have crossed the figure of 1.50 crore. (  
<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2011262>)

The Government of India, vide Gazette Notification S.O. 1296(E) dated March 20, 2023, has specified that the certificate issued on the UAP to IMEs shall be treated at par with Udyam Registration Certificate for the purpose of availing Priority Sector Lending (PSL) benefits. Accordingly, RBI vide its circular dated 09.05.2023 has also categorised that the IMEs with an Udyam Assist Certificate shall be treated as Micro Enterprises under MSME for the purposes of PSL classification.  
<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2011262>)

**Table 3 :**

**Percentage Distribution of Enterprises in rural and urban areas**

**(Male/ Female ownership and category wise)**

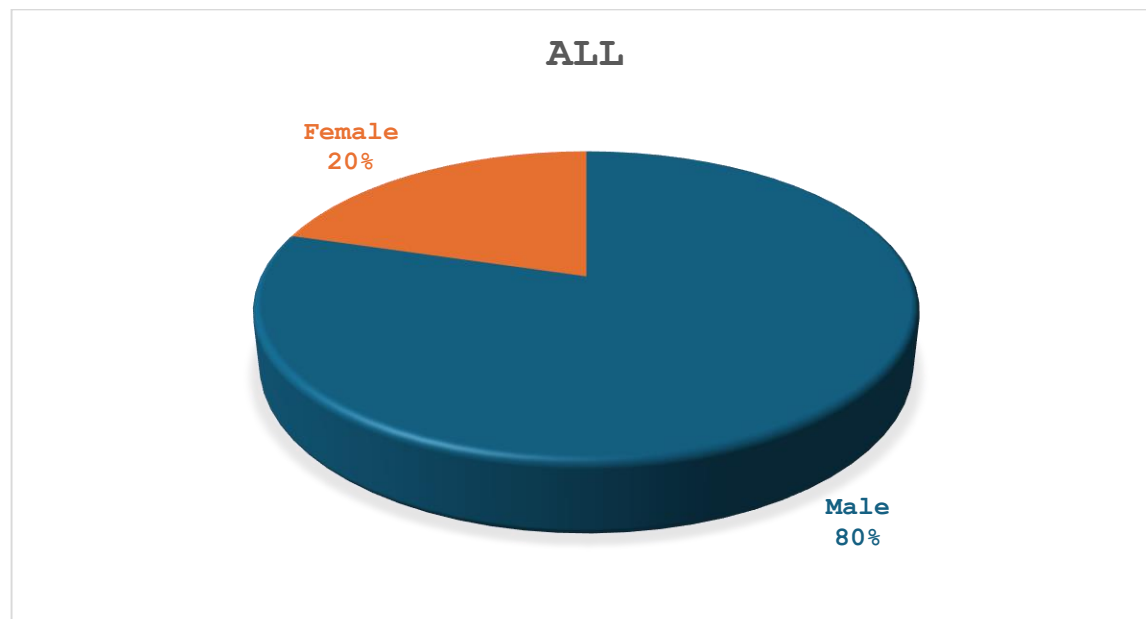
Sector	Male	Female	All
Rural	77.76	22.24	100
Urban	81.58	18.42	100
All	79.63	20.37	100

Source: (<https://msme.gov.in/sites/default/files/FINALMSMEANNUALREPORT2023>

24ENGLISH.pdf)



Graph 3: (Drawn from above sourced Data)

**INTERPRETATION:**

If we analyse the data sourced from Ministry of Micro, Small & Medium Enterprises government website , we can observe that a majority 80 percentage of enterprises in India are owned by Males whereas a mere 20 % enterprises are owned by females. It showcases & highlights the fact that there is still long way to go for active female participation in entrepreneurial activities.

**Table 4:**

**Percentage Distribution of number of Establishments under women entrepreneurs by major source of finance**

Major Sources of Finance	% Distribution of Establishments by Women Entrepreneurs
Self finance	79.07%
Financial Assistance from Govt. sources	3.37%
Borrowing from financial institutions	1.08%
Borrowing from Non-institutions / Money Lenders	0.84%



Loan from Self Help Group	1%
Donations /Transfers from other agencies	14.65%



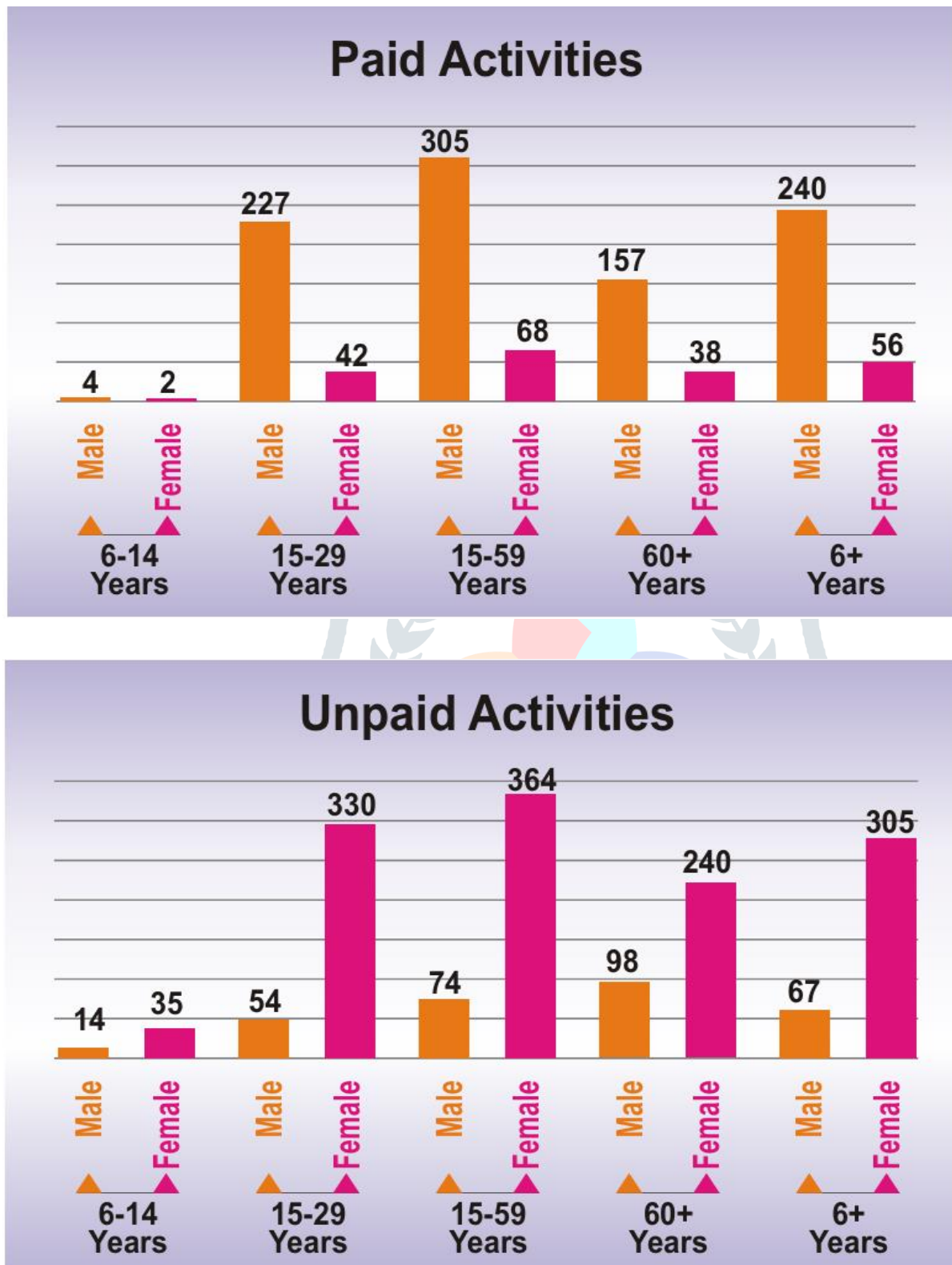
Source: [www.mospi.gov.in](http://www.mospi.gov.in)

### **INTERPRETATION:**

When the Percentage Distribution of number of Establishments under women entrepreneurs was studied with respect to major source of finances, it is observed that majority source of finance resorted by women was self-finance which is about 79.07 % .It means most women use their owned funds for the purpose of establishments of their new start-ups. Only 3.37 % of women used Financial Assistance from government sources. Only mere 1.08% had borrowing from financial institutions. About 0.84 % had borrowing from Non-Institutions or Money Lenders. Only 1% women resorted for finance from SHG that is Self Help Groups. And about 14.65% was received from Donations or from transfers from other agencies.

Graph 5:

Average time (in minutes) spent in a day per person in paid/unpaid activities



## Method of deriving time spent per participant and per person:

### 1. Average time spent per participant in an activity (say, activity A)

$$\frac{(\text{total time spent by the participants in activity 'A'})}{(\text{total number of persons participating in activity 'A'})}$$

### 2. Average time spent per person in an activity (say, activity 'A')

$$\frac{(\text{total time spent by the participants in activity 'A'})}{(\text{total number of persons})}$$

Source Time Use Survey, 2019, MoSPI

## INTERPRETATION:

If we analyse the above data about Average time (in minutes) spent in a day per person in paid/unpaid activities calculated using the above formula, we can observe that in Paid Activities graph of persons aged between 15-59 years, a whopping 305 minutes is spent by male & a mere 68 minutes is spent by female.

Whereas if we analyse the graph of unpaid activities, persons aged between 15-59 years, we can observe that only 74 minutes is spent by males in unpaid activities whereas a major 364 minutes is spent by female in unpaid activities like **unpaid domestic services** for household members & Unpaid caregiving services for household members. This proves why there is low growth in female entrepreneurial activities as compared to males as their majority of time is being spent in unpaid activities & limited time is spent in learning activities.

## V. FINDINGS AND CONCLUSION:

### STEPS TAKEN BY GOVERNMENT:

Indian government has introduced several schemes aimed at empowering women entrepreneurs like:

1. **Stand-Up India Scheme**
2. **Mahila E-Haat**
3. **Trade-Related Entrepreneurship Assistance and Development (TREAD) Scheme**
4. **Mudra Yojana for Women**
5. **Bharatiya Mahila Bank (BMB) Loan Schemes**

6. **Udyogini Scheme**
7. **Annapurna Scheme**
8. **NITI Aayog's Women Entrepreneurship Platform (WEP)**
9. **Self-Employed Women's Association (SEWA)**
10. **Dena Shakti Scheme**

Although there are several schemes launched by Indian government to boost women entrepreneurship, there is still long way to go due to internal as well as external roadblocks faced by women in India to learn & prosper in Entrepreneurial activities.

## **VI. RECOMMENDATIONS:**

The development of women entrepreneurs and their significant participation in entrepreneurial activities require concerted efforts from various sectors. These are the measures are suggested to empower women to seize opportunities and tackle business challenges effectively:

- Continuous efforts should be made to inspire, encourage, and support women entrepreneurs.
- To educate women about various business opportunities and fields Large-scale awareness programs should be organized.
- The general education level of women must be improved, along with providing specialized training, practical experience, and personality development programs to enhance their overall skills and confidence.
- To build professional competencies in areas such as management, leadership, marketing, finance, production processes, profit planning, bookkeeping, and other essential business skills training programs should be designed.
- Vocational training should be offered to women to equip them with knowledge of production processes and production management.
- Women's polytechnics and industrial training institutes should focus on skill development, and these skills should be applied in training-cum-production workshops.
- Networking and interaction among women entrepreneurs can be facilitated by Trade fairs, industrial exhibitions, seminars, and conferences at international, national, and local levels.
- Financial institutions can offer soft loans and subsidies to motivate women to engage in industrial activities and provide sufficient working capital for both small-scale and large-scale ventures.
- Microcredit and enterprise credit systems should be established at the local level to provide women entrepreneurs with accessible financial support.

These measures aim to create an enabling environment for women entrepreneurs to thrive in business and contribute significantly to the economy.

## VII.REFERENCES:

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