

## Women Empowerment through Entrepreneurship in India

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### Abstract

Women entrepreneurship is the social instance of women empowerment which has positive correlation with economic growth of a nation. Women entrepreneurship has been emerged as a very important topic of relevance to study since 2006. The importance of women's entrepreneurship in a growing economy like India is shown in this chapter, which aims to achieve social inclusion in the economy by eliminating gender discrimination and poverty. In the context of policy formulation to make use of the demographic dividend of India ignoring the gender bias the present study is supposed to be justified and relevant.

**Key Words:** Women entrepreneurship Women Empowerment, Demographic dividend, Gender gap, Social exclusion

### Introduction

The significance of women entrepreneurship in terms of economic growth is well recognized. Numerous studies have demonstrated that female entrepreneurs have a positive influence on economic growth and development. Women entrepreneurs are still in the minority, and they face several challenges along the way. Numerous studies show that women can significantly increase the value of entrepreneurship (Noguera et al., 2013) and contribute to economic growth (Kelley et al., 2017; Hechevarra et al., 2019) by creating job opportunities and increasing wealth (Bahmani-Oskooee et al., 2013; Ayogu and Agu, 2015), reducing poverty and gender discrimination (Langowitz and Minniti, 2007; Rae, 2015). The gender gap of female and male in percentage term in decision making to choose entrepreneurship for career development is positive (Elam et al., 2019), moreover this disparity gradually rises according to the process of development of a nation (Coduras and Autio, 2013). Countries which are similar in terms of economic status exhibits gender difference (Minniti, 2010; Dheer et al., 2019), at initial phase of opening up a business. Socio-cultural position of a women also affects her decision to grow up as a business women (Ahl, 2006). Women entrepreneurs were regarded secondary to men (Ahl, 2004). The reasons behind this are currently the subject of international discussion, and no one solution exist. Women who are more inclined to be family oriented have bad work behaviors, making the balance between family and work more difficult for women entrepreneurs, which is a major barrier to their businesses' growth (Jennings and Brush, 2013; Neneh, 2018; Boz et al. 2016). Fear of failure and lack of self-efficacy are two key impediments to women entering a business career. (Noguera et al 2013).

### Challenges Faced by Women Entrepreneurs:

#### Limited Funding

Having investors is the most important or integral part of starting a business and not everyone is lucky enough to find investors. Funding is like the lubricant and fuel in startups, it makes the design, production, and marketing of a product smooth; and it keeps the administrative functions efficient. Women faces the constraints to get financial support for starting a business.

#### Balancing Responsibilities

Entrepreneurship demands time and patience and a large number of women start business plan who have a family, spouse, children, and various other responsibilities. Society and family expect her to be a good mother and wife and must be always available for her family whereas business demands her to lead and fulfill targets. It often becomes very much tough to balance personal and professional life and it is much more challenging for those who does not get support from family. Still, many women entrepreneurs are successfully balancing their personal and professional life.

#### Fear of Failure

Success can not be achieved without failure, they both go hand in hand. And this is the same for men and women, but a man failing in business is easily accepted by the people around them. When it comes to women, people enjoy taunting them for failing. It's more like women failing in business are a success for them because their perspective of a woman can not be a leader or she can not run the business smoothly proves to be correct. And this fear is toxic especially when there is a lack of support. Therefore fear takes the place of confidence and they fail even when they are meant to succeed.

#### Gender Inequality

As one of the most often used terms in today's society, the concept that men and women are paid

equally for the same work, it appears to have little or no impact. In every field we go, we see a male leading it. Women must make their way up in a masculine world facing all odds. Although the government tried to make a favorable environment for them, women continue to be seen as lagging behind men despite having much higher potential and stamina to carry out the work. And these struggles only add up difficulties to start a business.

### **Unfavourable Environment**

Among all the challenges women entrepreneurs face, the unfavourable environment is among the top obstacles women face. In some places, even when women own a business they are supposed to require a male partner to make deals, negotiate, or to be a business face. Also, the fear of harassment and constant growth in rape cases limit their opportunity to choose their business location, opening hours which results in the chances of their success. Entrepreneurs' lives are not easy and it is only tougher for women entrepreneurs.

### **Lack of Education**

In many countries, educating a girl is not a priority. Rather than motivating them to be a career-oriented person or a leader, they are being prepared to be a so-called good wife and mother. They are supposed to give up on their dreams and goals and look after the family. Education is very important to find sources of innovative ideas and convert these ideas into enterprises. Lack of education and skill training limits their accessibility to different entrepreneurship development programmes which are organized to provide support for business growth.

### **Lack of Family Support**

Business demands dedication and time and since opportunity cost of family orientation for the women who are in business is very high they cannot meet the demand of their children and which raises many disputes to continue both the domestic lives and the business. Because of the absence of support from their families, many people give up the dream of achieving success in business. Although, despite all these problems, there are a number of successful businesswomen and they continue to run their enterprise successfully, balancing their personal and professional lives. People's views on women entrepreneur have changed because of their desire to succeed in business against all odds. The World Bank and its donor countries, as well as huge companies, universities, and NGOs, are now focusing on supporting women-owned businesses.

### **Women Entrepreneurship in India:**

United Nation's Population Division and Population Reference Bureau have predicted that by 2030, the working-age population of India will be more than 1

billion, which will exceed china This trend is likely to continue with labor force participation rate (LFPR) falling to 110 million more people, of which approximately 54 million are women who can be potentially productive to join labor force. This present figures reveal that to mitigate the gender gap a large number of gainful job opportunities should be created from the government and private enterprise. If this happens then with the bulge of working-age population India can definitely transform its demographic dividend to economic dividend in near future.

### **The current Scenario**

Including MSMEs and agriculture based industries number of women owned enterprises are much higher compared to many other countries, with an estimated 13.5 million to 15.7million. It has been found from different published sources that women-owned business are expanding. A sharp rise from 14% to 20% in the number of business under women ownership has been registered during last decade according to public facts and figures. In order to increase the number of women entrepreneurs on a broad scale, the federal and state governments, investors, banks, and other financial and educational institutions each have a role to play. Also, India's female entrepreneurship index, according to the Global Entrepreneurship and Development Institute (2015), scores at or below the 20th percentile, a level that is well below that of many other developed countries. In India most of the female owned companies are found to run by single person. In many cases over-representation in numbers is found.

### **Initiative towards encouraging Women Entrepreneurship in India:**

Nine schemes have been developed to encourage women entrepreneurship in India which are following:

#### **Annapurna scheme:**

Under this scheme women in food catering business are provided with loan. These female entrepreneurs may use the funds they get from the loan to buy the required equipment to run their businesses, such as a delivery device, cooking utensils, and etc. Small scale business is encouraged among women under this scheme. With the benefit of this financial support women are capable to sell final packed food items and thus increase their sale volume. The maximum loan amount is Rs. 50,000.

#### **Bharatiya mahila bank business loan:**

With the vision to economically empower the women, this banking scheme provides the loan to the women in business from various fields where the loan limit is Rs.20 Crores.

## **Mudra yojana scheme:**

The Indian government offers business loans to women under this program in an attempt to help them become more economically identity. Once loan is approved, credit cards, mudras are provided to them with withdrawal limit being 10% of the loan. Rs. 10 Lakhs. Are the limit of loan under this scheme.

## **Orient mahila vikas yojana scheme:**

Women who own at least 51% of a company's stock may benefit greatly from this programme. Under this approach, no collateral is delayed. Loans of up to Rs. 25 Lakhs are available under this programme.

## **Dena shakti scheme:**

Under this program, women entrepreneurs in agriculture, retail, and manufacturing are eligible for financial assistance. According to the Reserve Bank of India. This program has a maximum loan balance of Rs.20 Lakhs.

## **Pradhan mantri rozgar yojana:**

Both urban and rural areas are covered under this scheme. With an upper limit of Rs. 12,500 the subsidy amount of loan is maximum 15 percent of the cost of project per borrower. Women in trade and service are qualified for this loan, which has a 35-year-old age restriction and loan limits of Rs. 2 lakh and Rs. 5 lakh, respectively, for business and service and industry.

## **Udyogini scheme:**

In order to become eligible, you must be a woman and your family's annual income must be less than Rs. 40,000. Capital amount in this scheme Rs. 1 Lakh which is provided in trade and service industries.

## **Cent kalyani scheme:**

New women entrepreneurs who are not retail trade, education and training are eligible for the scheme. This scheme does not demand any collateral fees. Loans of up to Rs. 100 Lakh are available under this plan.

## **Mahila udyam nidhi scheme:**

MSMEs and small sector investments in different sectors are encouraged under this scheme to expand at a large scale in different areas. This scheme has been developed with an objective to meet the gap in equity. The debtor has a 10-year grace period and a maximum loan amount of Rs.10 Lakhs to repay. Five states have the greatest percentage of women entrepreneurs: Tamil Nadu (13.51%), Kerala (11.35%), Andhra Pradesh (10.56%), West Bengal (10.33%), and Maharashtra (8.25 per cent).

## **Conclusion:**

Proper policies are to be designed both in public and private initiative towards the encouragement of women entrepreneurship at large scale for making use of the window of opportunity of demographic

dividend of India which will give us economic dividend in near future. On the other hand large and growing female labour force should effectively be utilized in the form of women entrepreneurship with a view to establish social justice and equity and to eradicate economic poverty, gender discrimination and social exclusion in India.

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