



Gender Disparities in Entrepreneurship: A Special Focus on Women Entrepreneurs in India

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Abstract:

The study examines gender disparities in entrepreneurship, with a special focus on women entrepreneurs in India. Women still encounter significant obstacles in entrepreneurship even though their involvement in this field boosts economic growth. In India, women face hurdles like limited access to money, gender bias, lack of business networks, and social expectations. Even with more government programs to help women in business, these issues still hold women back from growing and thriving in the business world. The study also examines various social, cultural, and institutional roadblocks affecting female entrepreneurs in India. This research highlights key approaches to mitigate these challenges and build a more inclusive business environment for women entrepreneurs in India. The study's results show that while female business owners in India are overcoming barriers, they still have a long road ahead in terms of getting finance, building networks, and achieving gender equality in the business sector. The purpose of this paper is to examine the barriers that women entrepreneurs face in India, and to evaluate the effectiveness of current programs that are in place to help overcome these barriers. This paper will be guided by the analysis of government policies, their corresponding legislation, and socially accepted attitudes and stereotypes to develop actionable recommendations for increasing the competitiveness of women entrepreneurs.

Keywords: Gender Disparities, Economic growth, Women entrepreneurs, barriers.

Introduction:

Entrepreneurship serves as one of the most dynamic catalysts for economic development and poverty alleviation. In the Indian context, as the economy diversifies and grows, the presence of women entrepreneurs is particularly noteworthy. According to the Global Entrepreneurship Monitor (GEM) India Report (2020), the Total Early-Stage Entrepreneurial Activity (TEA) rate for women in India is around 12%, compared to 23% for men, indicating a significant gender gap in entrepreneurship participation.

Even while attempts have been made to address gender issues in India, women still face severe structural constraints that hamper their entrepreneurship. These include sociocultural factors that regard women as primarily housewives, greater constraints in accessing capital and financial products, and relatively low levels of business education as compared to men. Research indicates that in comparison to men, a lesser proportion of women entrepreneurs in India have access to formal funding channels: 20% versus 40% (National Sample Survey Office, 2018).

Women often face the “double burden” of managing family responsibilities and their business affairs. This stereotype that persists with the belief that a woman's primary duty is within the home

greatly hampers her ability to fully engage in entrepreneurial activities. There is, furthermore, insufficient mentorship and networking that is important for business development. A survey conducted by the Indian Institute of Management (IIM) in 2020 reported that almost 70% of Indian women entrepreneurs suggested that business networks are absent and that mentorship is also lacking and problematic.

Review of Literature

Patel, et. at. (2017) in his study, they look for social-cultural barriers that are opportunity makers for women entrepreneurs in India, the authors point out social norms that keep women in the home taking care of the family thus restricting the female to traditional roles and also the same norms limit their business opportunities. The authors submit that the patriarchal structures are the cause of this and the pursuit of standard family structure and the perpetuation of stereotypes is the end result of the situation where women's confidence diminishes.

Singh, et. at. (2020) in his study, they analyse the problems and the experiences of women in entrepreneurship. They address the issue of burdening women with both household and business while aligning it with lack of access to capital and networks. But, they also indicate that the technology and social entrepreneurship are some areas which

women are eager to take part in. The authors propose policy reforms and capacity-building programs to boost women in their entrepreneurial activities.

Objectives of the Study

The objectives of this study include the following:

1. To study the various reasons for gender disparities in entrepreneurship in India.
2. To examine the key challenges and socio economic barriers in entrepreneurship.
3. To analyse the effectiveness of Government policies and their initiatives.
4. To understand the measures that could be used to address the issues related to women entrepreneurs in India.

Causes of Gender Inequality in India

It is certainly a fact that gender-based social discrimination is a serious problem and the central causes are located on a personal, societal, and cultural level. Experts from our company have identified several issues that are responsible for gender inequality in India, some of which are given here.

1. Poverty:

Poverty is still one of the major influencers of gender imbalances. The World Bank reports that about 70% of the world's poor population is female. The lack of an education, healthcare, and employment opportunities due to poverty sets in motion a vicious cycle which makes this trend irreversible.

2. Child Marriage:

Child Marriage is another significant piece of gender inequality puzzle, which is affecting the girls vastly disproportionate. According to a report from UNICEF, more than 12 million girls below the age of 18 get married each year. Such behaviors put the development of girls into question and, thus, have an effect on the gender inequality between generations.

3. Lack of Education:

Among the chief factors that aggravate the problem of gender discrimination are the lack of education, which is prevalent in poor countries. The study conducted by UNESCO states that 132 million girls have no schooling in the world and they are also fewer in the western part of the world. Education is

a vital tool for girls to become confident while making the smartest choices, to go for careers and to challenge societal standards.

4. Poor Medical Health:

Low medical health is also a great factor in the pursuit of gender prejudice. Girls in areas with insufficient health service are forced to deal with high maternal mortality rates, limited family planning access, and limited health services.

5. Lack of Awareness & Patriarchal Norms:

Along with misinterpretation and the deep-rooted character of patriarchal norms, lack of awareness is an additional factor to provoke gender inequality. Thus, in societies that perpetuate gender stereotypes and discrimination, it is not easy to be free from the bondage of inequality but rather to break out of it.

Key Challenges related to access to finance

The National Sample Survey Office (NSSO, 2018) reports that only 20% of women entrepreneurs have access to formal credit, compared to 40% of male entrepreneurs. This disparity largely arises from the following factors:

- **Collateral Requirements:** In India, most financial institutions ask their borrowers to pledge collateral for loans, which women entrepreneurs often do not possess as ownership of property and assets heavily favors men due to cultural norms.
- **Limited Access to Venture Capital:** Women also have a huge barrier to entry as it relates to venture capital. As per the India Venture Capital Association (IVCA, 2019), only 7% of Indian venture capital funding goes to women-led startups, whereas 93% goes to male-led startups.
- **Lack of Awareness of Financial Schemes:** There are government schemes such as Mudra Yojana and Stand-Up India for women entrepreneurs to avail of financial assistance, but the survey indicated that as many as 40% of women entrepreneurs are not even aware of them. Even of those who were aware, only 25% of them had availed these schemes due to bureaucratic hurdles, misinformation, and the application process being too complicated.

Government Policies Supporting Women Entrepreneurs in India

| Policy | Target Group | Loans Disbursed | Beneficiaries | Awareness (% of Women Entrepreneurs) | Utilization (% of Aware) |
|----------------|---------------------|---------------------------------------|---------------|--------------------------------------|--------------------------|
| Mudra Yojana | Women Entrepreneurs | ₹3.5 lakh crores (approx.) | 32 million | 65% | 30% |
| Stand-Up India | SC/ST & Women | ₹30,000 crores (approx. 85,000 loans) | 85,000 | 55% | 28% |

Target Group:

Mudra Yojana is a scheme which is intended for women entrepreneurs to receive the necessary financial support to start or expand their business. Stand-Up India should be a program that benefits not only the women but also SC/ST people to eradicate racial discrimination from the business landscape and economic empowerment.

Loans Disbursed:

Mudra Yojana have disbursed about ₹3.5 lakh crores, thus meaning that they have received a substantial amount of financial resources to help women entrepreneurs. It obviously indicates that the government is really interested in integrating women into the economy. Stand-Up India: So far, a total of ₹30,000 crores have been contributed through about 85,000 loans objects that ensures support from the government and private sector to women and SC/ST to develop inclusive business ecosystems.

Beneficiaries:

Mudra Yojana program has given a helping hand to about 32 million women entrepreneurs, and thus it is a program that has been able to be in the wider areas of India and support female business owners. In Stand-Up India a total number of almost 85,000 true beneficiaries have been direct with the program that shows how much the organization focuses on uplifting not only women as entrepreneurs but the forgotten community groups as well, and on the other hand plays as an economic tool and is the inclusion factor.

Awareness (% of Women Entrepreneurs):

In Mudra Yojana, there is a 65% awareness rate, it means that the number of women entrepreneurs who know about this program is high. The high percentage of awareness in the target group will guarantee the success of the program, as people who are aware will be more interested in seeking financial assistance. Stand-Up India: Awareness is rated at 55%, meaning barely over half of the people it should cover have heard about the program

Utilization (% of Aware): In Mudra Yojana out of the total, who know about the scheme, it is only 30% who have made use of the available funds. This low utilisation level may betray problems such as paperwork that is large in volume, the fact that application flows are too complex to deal with, or a deficiency of the support necessary to make self-navigation of the system a simple task. In Stand-Up India, women and SC/ST groups have the same utilization rate of 28% with this program meant only for them.

Measures to address the issues related to women entrepreneurs:**1. Policy Recommendations:**

This will include easing the application processes for financial schemes, increasing the

knowledge of the programs, and ensuring that the help is located where there is the greatest need of the same.

2. Financial Literacy Programs:

The major problem that women entrepreneurs are faced with is the lack of knowledge about the sources and management of funds effectively. Programs that educate women about financial products, budgeting, and investment could empower them to make informed decisions.

3. Networking and Mentorship Opportunities:

Creating platforms that facilitate networking and mentorship is mandatory. The women in business gritting at not being able to build business networks are a common fact.

4. Awareness Campaigns:

Information sharing of government programs and their related support systems is the most important factor. The advertorials have the most impact on getting women to participate in the programs, just by getting the information about resources.

5. Community Support and Advocacy:

The inclusion of the community in the promotion of women's entrepreneurship via initiatives could help challenge stereotypes and support a more conducive environment for female business owners.

6. Tailored Financial Products:

Financial institutions should be given incentives to come up with products that are made to cater to just the women entrepreneurs.

Conclusion:

Gender disparities in entrepreneurship remain a significant barrier to economic growth and development in India, particularly for women entrepreneurs. Even though there is considerable understanding of these issues, women still struggle with multiple obstacles such as the lack of funding, cultural norms, and absence of patronage. Women are empowered through government schemes like Mudra Yojana and Stand-Up India, but these schemes fail to be effective because they are not well-known. In order to create an entrepreneurial environment where everyone is included, policies have to go beyond articulating goals like these. Changes in the policy should make financial services available to women, improve women's financial literacy, and increase women's access to networking and mentoring opportunities. Moreover, women entrepreneurs should be made aware of the benefits that are in store for them. Also, community participation and customized financial services can help create a platform that is conducive to women's entrepreneurship. By changing social perceptions and encouraging women's role in the economy, India can make full use of the capabilities of women entrepreneurs.

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