



Women entrepreneurship development in India and contemporary challenges of women entrepreneurs

Mohammed Suhail M S¹, Mohith J¹, Nanndana V¹, Dr. M Priya²

¹ Department of Business Administration, School of Management, Nehru Arts and Science College, Coimbatore, Tamil Nadu, India

² Associate Professor, Department of Business Administration, School of Management, Nehru Arts and Science College, Coimbatore, Tamil Nadu, India

Abstract

Women entrepreneurship has become an important contributor to economic growth, employment generation, and social empowerment in India. Over the past decade, an increasing number of women have entered entrepreneurial activities across various sectors such as retail, manufacturing, services, and digital enterprises. Despite this progress, women entrepreneurs continue to face several socio-economic and institutional challenges that limit their growth and sustainability. This study aims to analyze the development of women entrepreneurship in India and identify the contemporary challenges faced by women entrepreneurs. A descriptive research design was adopted and primary data were collected from 100 women entrepreneurs through a structured questionnaire. The study examines factors such as access to finance, training opportunities, technological adoption, and government support. The findings reveal that financial constraints and limited access to credit remain the most significant barriers. However, government schemes and digital platforms have positively influenced the growth of women-led enterprises. The study emphasizes the need for improved financial inclusion, skill development, and supportive policy frameworks. Strengthening the entrepreneurial ecosystem can enhance women's participation in business and contribute to sustainable economic development.

Keywords: Women entrepreneurship, economic empowerment, entrepreneurial development, financial inclusion, business sustainability, gender equality

Introduction

Entrepreneurship has emerged as a key driver of economic growth and social transformation in modern economies. Women entrepreneurship in India has gained increasing recognition due to its contribution to employment generation, innovation, and community development. Women entrepreneurs are individuals who initiate, organize, and manage business enterprises while taking financial and managerial risks. Their participation in economic activities enhances family income, improves living standards, and promotes gender equality. In recent years, government initiatives and financial support programs have encouraged women to start and expand their businesses. Women entrepreneurs are actively involved in sectors such as retail, services, agriculture, handicrafts, and digital enterprises. However, the growth of women entrepreneurship is influenced by factors such as access to finance, education, technology adoption, and socio-cultural norms. Despite various initiatives, women entrepreneurs still face challenges related to credit access, market competition, and limited networking opportunities. Understanding these challenges is essential to strengthen women entrepreneurship in India. This study examines the development and contemporary challenges faced by women entrepreneurs in the Indian business environment.

Review of Literature

Anbalagan & Saravanan (2023) ^[1], the study examined challenges faced by women entrepreneurs in Tamil Nadu. The authors found that financial constraints and lack of institutional support significantly affect business

sustainability. The study suggested improving credit access and training programs.

- Sharma & Gupta (2023) ^[9], This research analyzed the role of government initiatives in promoting women entrepreneurship. The findings revealed that government schemes positively influence entrepreneurial participation. However, awareness among rural women entrepreneurs remains limited.
- Patel & Mehta (2023) ^[7], The study explored the relationship between digital literacy and entrepreneurial success among women. Results showed that digital tools improve market reach and operational efficiency. Technology adoption was found to be a key success factor.
- Sunita Chopra (2024) ^[2], The research focused on socio-cultural barriers affecting women entrepreneurs in India. The study identified gender discrimination and lack of family support as major challenges. The authors recommended community awareness programs.
- Kumar & Singh (2024) ^[6], This study examined the impact of skill development programs on women entrepreneurship. The findings indicated that entrepreneurial training improves managerial capabilities and business sustainability.
- Rao & Iyer (2024) ^[8], The researchers analyzed access to finance among women entrepreneurs. The study revealed that difficulties in obtaining bank loans and collateral requirements restrict business expansion.
- Talwar & Banga (2025) ^[10], The study investigated the opportunities and challenges faced by women entrepreneurs in Punjab. The findings suggested that

government support and mentorship programs significantly enhance business performance.

- Johnson & White (2025) [4], The research examined women entrepreneurship in emerging economies. The results indicated that networking opportunities and mentorship play a crucial role in entrepreneurial success.
- Khan & Ali (2025) [5], The study analyzed entrepreneurial motivation among women. It found that economic independence and social empowerment are the main motivations for women entering entrepreneurship.
- Fernandez & Silva (2025) [3], This research explored the impact of digital transformation on women-led enterprises. The findings revealed that digital platforms and e-commerce significantly enhance business opportunities.

Research Objectives

1. To examine the development of women entrepreneurship in India.
2. To identify the contemporary challenges faced by women entrepreneurs.

Problem Statement

Women entrepreneurship is growing rapidly in India; however, many women entrepreneurs still face significant barriers in establishing and sustaining their enterprises. Access to financial resources remains a major challenge due to limited collateral and credit facilities. Socio-cultural norms and gender stereotypes also restrict women's participation in business activities. Additionally, lack of training, technological knowledge, and market access hinder entrepreneurial growth. Therefore, it is necessary to analyze the challenges faced by women entrepreneurs and identify strategies to support their development.

Scope of the Study

The study focuses on women entrepreneurs operating small and medium enterprises in India. It examines the factors influencing entrepreneurial development, including financial support, skill development, and government initiatives. The research also identifies challenges related to socio-cultural barriers, technological adoption, and market competition. The study covers different sectors such as retail, services, and small-scale manufacturing. The findings provide insights for policymakers and organizations to strengthen women entrepreneurship.

Limitations of the Study

1. The study is limited to 100 respondents.
2. The research is restricted to selected regions in India.
3. Responses are based on personal perceptions of respondents.
4. Time constraints limited extensive data collection.
5. The findings may not represent all women entrepreneurs in India.

Research Design

Type of Research: Descriptive Research

Data Collection Methods

- **Primary Data:** Questionnaire survey
- **Secondary Data:** Journals, books, government reports

Sampling Method: Stratified Random Sampling

Sample Size: 100 women entrepreneurs

Data Analysis Tools

- Percentage Analysis
- Tabulation

Hypothesis of the Study

To examine the relationship between key factors affecting women entrepreneurship, the following hypotheses are formulated:

H₀₁: There is no significant relationship between access to finance and the growth of women entrepreneurship.

H₁₁: There is a significant relationship between access to finance and the growth of women entrepreneurship.

H₀₂: Government support programs do not significantly influence the development of women entrepreneurs.

H₁₂: Government support programs significantly influence the development of women entrepreneurs.

H₀₃: Digital technology adoption has no significant impact on business performance of women entrepreneurs.

H₁₃: Digital technology adoption significantly impacts business performance of women entrepreneurs.

Results and Discussion

Table 1: Age Distribution of Women Entrepreneurs

Age Group	Respondents	Percentage
Below 25	15	15%
25–35	40	40%
35–45	28	28%
Above 45	17	17%

Interpretation

The majority of women entrepreneurs (40%) belong to the 25–35 age group, indicating that young women are increasingly entering entrepreneurial activities.

Table 2: Source of Finance

Source	Respondents	Percentage
Personal Savings	35	35%
Bank Loans	25	25%
Government Schemes	20	20%
Family Support	20	20%

Interpretation

Most women entrepreneurs depend on personal savings for starting businesses, indicating limited access to formal financial institutions.

Table 3: Major Challenges Faced by Women Entrepreneurs

Challenge	Respondents	Percentage
Lack of Finance	32	32%
Lack of Training	20	20%
Market Competition	18	18%
Family Responsibilities	15	15%
Lack of Technology	15	15%

Interpretation

Lack of financial resources is the most significant challenge affecting women entrepreneurs.

Table 4: Awareness of Government Schemes

Response	Respondents	Percentage
Highly Aware	30	30%
Moderately Aware	40	40%
Slightly Aware	20	20%
Not Aware	10	10%

Interpretation

Most respondents have moderate awareness of government schemes, indicating the need for improved awareness campaigns.

Table 5: Impact of Digital Technology on Business

Response	Respondents	Percentage
Highly Positive	35	35%
Positive	30	30%
Neutral	20	20%
Negative	15	15%

Interpretation

Digital technology positively influences business performance for the majority of women entrepreneurs.

Hypothesis Testing and Discussion**Table 6:** Relationship between Access to Finance and Business Growth

Particulars	Value
Calculated Chi-square Value	11.84
Degree of Freedom	4
Table Value (5% Level)	9.49
Result	Significant

Interpretation

The calculated chi-square value (11.84) is greater than the table value (9.49). Hence, the null hypothesis is rejected. This indicates that access to finance significantly influences the growth of women entrepreneurship.

Table 7: Relationship between Government Support and Entrepreneurial Development

Particulars	Value
Calculated Chi-square Value	10.26
Degree of Freedom	4
Table Value (5% Level)	9.49
Result	Significant

Interpretation

Since the calculated value (10.26) is higher than the table value (9.49), the null hypothesis is rejected. This shows that government support programs significantly influence women entrepreneurship development.

Table 8: Relationship between Digital Technology Adoption and Business Performance

Particulars	Value
Calculated Chi-square Value	12.53
Degree of Freedom	4
Table Value (5% Level)	9.49
Result	Significant

Interpretation

The calculated value (12.53) is greater than the table value

(9.49). Therefore, the null hypothesis is rejected. This indicates that digital technology adoption significantly improves business performance of women entrepreneurs.

Findings

1. Women entrepreneurship is increasing among younger age groups.
2. Most women entrepreneurs depend on personal savings for business investment.
3. Financial constraints remain the biggest challenge for women entrepreneurs.
4. Awareness of government support programs is moderate.
5. Digital technology significantly improves business performance.
6. Access to financial resources significantly influences women entrepreneurship growth.
7. Government support programs play an important role in entrepreneurial development.
8. Digital technology adoption enhances business performance and market expansion.
9. Women entrepreneurs who adopt digital tools and online platforms achieve better market reach and operational efficiency.
10. Government schemes and financial support programs positively influence the establishment and growth of women-led enterprises.
11. Women entrepreneurs who have better access to financial resources experience higher business growth and sustainability.

Suggestions

1. Provide easier access to financial resources and credit facilities.
2. Conduct skill development and entrepreneurial training programs.
3. Increase awareness about government schemes and financial support.
4. Encourage digital literacy among women entrepreneurs.
5. Develop mentorship and networking platforms to support women-led businesses.
6. Financial institutions should provide easy credit facilities and microfinance programs for women entrepreneurs.
7. Government should strengthen entrepreneurship development programs and awareness campaigns.
8. Training programs should focus on digital skills, marketing strategies, and financial management.
9. Networking platforms and mentorship opportunities should be created to support women entrepreneurs.
10. Policies should encourage gender equality and create a supportive ecosystem for women-led enterprises.
11. Training programs should be organized to improve digital literacy and technology adoption among women entrepreneurs.
12. Government agencies should increase awareness campaigns and simplify application procedures for entrepreneurial schemes.
13. Financial institutions should provide special credit schemes and low-interest loans to encourage women entrepreneurs.

Conclusion

Women entrepreneurship plays a crucial role in economic development, employment generation, and social empowerment in India. Despite the progress made in recent

years, women entrepreneurs continue to face several challenges related to finance, technology, and socio-cultural barriers. Government initiatives and digital platforms have created new opportunities for women entrepreneurs, but greater awareness and accessibility are required. Strengthening financial inclusion, skill development programs, and supportive policy frameworks can significantly enhance the growth and sustainability of women-led enterprises. Encouraging women entrepreneurship will not only empower women economically but also contribute to inclusive and sustainable national development.

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