

Businesses owned by women entrepreneurs likely to grow up to 90% in next 5 years in India: Study

Synopsis

According to the study, around 80 per cent of women, from semi urban and rural India, feel a significant improvement in their socio-economic and cultural status after starting an enterprise.



It also found out that despite several state-run schemes and policies supporting women entrepreneurship, the uptake of such initiatives is quite low.

NEW DELHI: **Businesses** owned by **women entrepreneurs** in India are likely to grow up to 90 per cent in the next five years, according to a **new study** which also notes that the uptake of government schemes supporting such **entrepreneurs** is quite low. The study by prominent philanthropic organisation, **EdelGive Foundation**, was conducted across 13 states and Union territories (UTs).

The mapping of these areas listed almost 3,300 women entrepreneurs who were classified into three categories--those engaged in manufacturing, retail and service delivery enterprises. Out of these, 1,235 women entrepreneurs were sampled and interviewed for the study.

In addition to these entrepreneurs, their family members, employees and clients were also interviewed. Besides in-depth interviews were carried out with 20 NGOs that directly support women entrepreneurs.

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It also found out that despite several state-run schemes and policies supporting women entrepreneurship, the uptake of such initiatives is quite low.

"Only one per cent of the women entrepreneurs surveyed have availed of any government scheme and this is primarily because just about 11 per cent are aware of such programmes," the study says.

The multi-faceted study has focused on a cross-section of factors ranging from societal, financial, personal to familial to understand the overall journey of women entrepreneurs along with looking at the role of government, NGOs and corporates in the ecosystem.

While the study reports improvement in the socio-cultural lives of the women entrepreneurs, it reveals that there are still significant gaps in terms of financial knowledge and resources available to the entrepreneurs along with marketing, production, technological and socio-cultural challenges faced by them.

"Lack of awareness about financial aids and schemes, non-availability of required documents, perception of the process to use these schemes as 'complex' and having no assets to put on mortgage, are some of the inhibiting factors behind this.

"The study projects that businesses owned by women entrepreneurs are likely to grow up to 90 per cent in five years in India, in comparison to similar businesses in the US and the UK where expected growth trends range from 50 per cent and 24 per cent, respectively, during the same period," the study notes.

Based on the key findings, the study recommends that the states conduct meta-analysis to identify their specific needs and design and implement relevant programs, promote products from women entrepreneurs under a common brand with tax incentives, impart soft-skills training which is inclusive of accounting.

It also suggests HR management and communication, implement awareness generation and community mobilisation initiatives for moral support and establish mentorship programs at the local level to enable budding entrepreneurs to formalise their enterprise and expand.

The states/UTs where the study was conducted are Jammu and Kashmir, Haryana, Rajasthan, Manipur, Tripura, West Bengal, Jharkhand, Madhya Pradesh, Uttar Pradesh Gujarat, Maharashtra, Daman and Tamil Nadu.

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