

Women entrepreneurs in India likely to see business growth up to 90% in the next 5 years: Report

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EdelGive Foundation, one of India's leading grant-making organizations released its Landscape Study on Women Entrepreneurship which showed that women entrepreneurs in India were likely to grow up to 90% in the next five years as they receive big boosts in several areas of their lives.

The national study focuses on the challenges, impact on health, socio-economic security and family wellbeing outcomes of women entrepreneurs, providing a complete overview of women entrepreneurs and the ecosystem within which they thrive.

The study conducted across 13 states has revealed that around 80% of women, from semi urban and rural India, feel a significant improvement in their socio-economic and cultural status after starting an enterprise. Women surveyed also reported a greater sense of independence and confidence.

The study is a part of EdelGive's UdyamStree Campaign which aims to boost the entrepreneurial spirit in women and plot women entrepreneurship as one of the key pathways to boosting Women's Economic Empowerment in India.

It was released by Ram Mohan Mishra, Secretary, Ministry of Women and Child Development in an online event which was chaired by Amitabh Kant, CEO, NITI Aayog.

Study reveals gap in financial resources available to women

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

While the study has reported an improvement in socio-cultural aspects for women due to entrepreneurship, it has also revealed that there are still significant gaps in terms of financial knowledge and resources available to women entrepreneurs along with marketing, production, technological and socio-cultural challenges faced by them.

Despite several government schemes and policies supporting women entrepreneurship, the uptake of such schemes by women entrepreneurs is quite low.

Of the women entrepreneurs surveyed, only 1% of women have availed of any government scheme and this is primarily because just about 11% are aware of any schemes.

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, were some of the inhibiting factors behind this.

The study projects that businesses owned by women entrepreneurs are likely to grow up to 90% in 5 years in India, in comparison to similar businesses in the US and UK where expected growth trends range from 50% and 24% respectively, during the same period.

Why women entrepreneurs are succeeding

Speaking at the panel discussion which was part of the launch event moderated by Journalist, Faye D'Souza, the Executive Chairperson of EdelGive Foundation, Vidya Shah said, "Women in India are leading a cultural revolution building their businesses, paving the way for future aspiring women entrepreneurs. Their role is pivotal in enhancing the economic growth of the country, employment generation, and industrialization."

"The adoption of policies and implementation of schemes that provide appropriate training, incentivization, economic and cultural recognition is key to the success of women entrepreneurs in India," she added.

Naghma Mulla, CEO of EdelGive Foundation during the panel discussion added that "Empowering women economically has a bearing on their overall growth - Right from developing their self-esteem and confidence, to increasing the quality of life that women lead, entrepreneurship facilitates their empowerment."

"It also, albeit gradually, gives them autonomy and decision-making powers to make informed choices over higher education and better health for themselves and their children. We believe that an UdyamStree can be catalytic to societal progress and well-being," she added.

How can states help women entrepreneurs?

Based on the key findings, the study recommends that states conduct a meta-analysis to identify their specific needs and design and implement relevant programmes, promote products from women entrepreneurs under a common brand with tax incentives, impart soft-skills training which is inclusive of accounting, HR management and communication, implement awareness generation and community mobilization initiatives for moral support and establish mentorship programmes at the local level to enable budding entrepreneurs to formalize their enterprise and expand.