

## Women Entrepreneurs as Agents of Social and Economic Transformation in India

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### ABSTRACT

*Women-led entrepreneurship has emerged as a fundamental catalyst for India's dual transformation, driving both rapid economic growth and profound social restructuring. This paper argues that the rise of women in business is not merely a shift in labor statistics but a pivotal movement that has reshaped India's socioeconomic fabric. By examining the growth of women-led MSMEs and the impact of government initiatives, the study demonstrates how women have moved beyond traditional domestic boundaries to become key economic stakeholders. Through the lens of "Nari Shakti," the paper explores how these entrepreneurs foster community resilience, close the digital divide, and inspire a new cultural narrative of ambition, ultimately proving that women's entrepreneurship is the backbone of a sustainable and inclusive "Viksit Bharat."*

**Keywords:** Women Entrepreneurs, Social Transformation, Economic Transformation, Viksit Bharat, MSMEs.

### Introduction

In the discourse of Indian Political Science, entrepreneurship is a deeply political act of asserting socio-economic autonomy. As India aims to become a \$5 trillion economy, the participation of women—who own nearly 20–22% of MSMEs—is critical. Women's entrepreneurship has contributed fundamentally to India's social and economic transformation, acting as a bridge between tradition and modernity. When a woman becomes an entrepreneur in India, she does not merely create a business—she reshapes families and strengthens communities. Recent Ministry of MSME records show that over 2.8 crore women-led MSMEs have been registered across the country. These enterprises are a vital source of livelihood, contributing approximately 18.73% to 23.3% of the total employment generated by registered units, and over 70% of employment in the informal micro-sector.

### Research Objectives

- **Growth and Contribution:** To document how women-led ventures accelerate India's social and economic transformation.
- **Policy Impact:** To analyze how government schemes facilitate the formalization of women-led MSMEs.
- **Transitional Analysis:** To investigate the shift in power dynamics as women transition from micro-entrepreneurs to economic leaders.
- **Structural Barriers:** To identify hurdles that still hinder the scaling of micro-enterprises into larger ventures.

### Theoretical Framework

- **Liberal Feminism:** Focusing on the removal of institutional barriers to provide equal access to credit and education.
- **Capability Approach (Amartya Sen):** Viewing entrepreneurship as the “freedom” a woman gains to lead a life she values.
- **Transformational Leadership Theory:** Observing how women in the Global South lead with a focus on community resilience and long-term stability.

### Review of Literature (Academic Analysis)

Reganti & Mamilla (2023) – *The Digital Frontier*: The authors argue that digital literacy acts as a “virtual marketplace,” allowing women to bypass physical mobility constraints imposed by social norms. Their research demonstrates that women-led MSMEs using digital tools often outpace male-led counterparts by tapping into niche global markets.

Miao & Ndunesokwu (2024) – *Transformational Leadership*: This study identifies that women entrepreneurs in the Global South exhibit a leadership style focused on empathy and community reinvestment. Unlike traditional transactional business models, these ventures prioritize employee health and education, building a resilient workforce capable of surviving economic downturns.

SEWA (India) – *The Power of the Collective*: Analysis of the Self-Employed Women’s Association shows how cooperative entrepreneurship successfully transitioned thousands from the informal sector into organized business owners. By focusing on “Green Livelihoods” like solar-tech, SEWA proved that environmental sustainability and profitability can coexist through a blueprint for “Ecological Entrepreneurship.”

Justin, Jalagat Jr., & Aquin (2023) – *Sustainable Resource Management*: These authors observe that women leverage innate “Indigenous Knowledge” to manage resource scarcity more efficiently than their peers. This “frugal innovation” allows women-led ventures to maintain higher profit margins despite limited seed capital, offering long-term stability for investors.

Mbatha, et al. (2024) – *Economic Policy as a Political Tool*: Utilizing Institutional Theory, the authors show that gender-sensitive policies like “Stand-Up India” trigger vital structural shifts in the national economy. They conclude that empowering women as primary household decision-makers through entrepreneurship is the state’s most effective tool for systemic poverty alleviation.

### From Grassroots to Growth: The MSME Engine

MSMEs (Micro, Small, and Medium Enterprises) are the structural backbone of India’s economy, providing the formal framework required for women to transition from home-based work to recognized business leadership. By offering access to registered credit, government subsidies, and organized markets, the MSME sector empowers women to turn local skills into scalable, job-creating ventures that drive both financial independence and social authority.

The formalization of the MSME sector is the engine of India’s changing economic landscape.

- **Digital Inclusion:** As suggested by Reganti & Mamilla (2023), the “Digital Divide” is the final frontier. UPI and the Udyam portal have allowed women to maintain financial records, making them “bankable.”
- **Job Creation:** Women-led MSMEs generate nearly 18–23% of formal MSME employment, serving as the bedrock of inclusive development.

### Case Studies: Pioneers of Change

- **Brajesh Bhargav (Rajasthan):** A woman from Khandra village who started a small jute-products enterprise. Today, her brand produces over 250 handcrafted items and employs 200 rural women. Her story represents the Transformational Leadership seen in the Global South; she didn’t just build a business, she changed the power dynamics of her entire village.
- **Anjana Oraon (Chhattisgarh):** A tribal entrepreneur who built a successful fly-ash brick business from industrial waste. Her success highlights the sustainable resource management identified in literature, proving that even in Naxal-affected areas, economic empowerment provides a powerful alternative to radicalization.

- **Paiben Gajjar (Gujarat):** Hailing from Bhadroi Village in the Anjar Taluka of Kutch, Paiben modernized traditional Rabari embroidery by inventing the “Hari Jari” technique. This innovation allowed her to scale her craft into the global enterprise Paibhen.com, providing sustainable employment to over 500 women across her district and taking Indian rural art to Hollywood and Bollywood markets.
- **Bina Devi (Bihar):** Widely known as the “Mushroom Mahila” and a resident of Tilkar village in Muzaffarpur, Bina Devi popularized mushroom cultivation under her own brand. She scaled this into a decentralized MSME model that has trained over 1,500 women across 105 villages, earning her the Nari Shakti Puraskar and transforming her into a powerful political voice as a local Sarpanch.
- **Lakhpati Didis:** Through the Self-Help Group (SHG) revolution, over 90 million women are pooling savings. A “Lakhpati Didi” earns over ₹1 lakh annually, which improves her children’s nutrition and gives her a decisive voice in family property matters.

#### Government Initiatives: Driving the Transformation

- **Pradhan Mantri Mudra Yojana (PMMY):** Democratizes credit by providing collateral-free loans up to ₹10 lakh for micro-startups. By targeting women (68% of loans), it bypasses banking biases regarding land ownership. This provides the primary foundation for women to transition into economic stakeholders.
- **Stand-Up India Scheme:** Mandates bank branches to provide greenfield project loans between ₹10 lakh and ₹1 crore to women. Its objective is to move women from “micro” to “small and medium” scale industries. It acts as a structural bridge for high-impact corporate ventures.
- **SHE Marts & SHG Initiatives (2026 Budget):** Solves the “market-linkage” problem by providing community-owned retail hubs for SHGs. It eliminates middlemen and gives rural artisans direct access to urban markets. This transforms SHGs into market-ready cooperative businesses.
- **PMEGP in Conflict Zones (LWE Areas):** Offers higher subsidies (up to 35%) to women in Naxal-affected districts. The purpose is to use entrepreneurship as a counter-insurgency tool for social stability. It helps women reclaim their identity through peaceful industrial stakeholdering.

#### New Perspectives: The Shark Tank & Influencer Effect

The emergence of business-centric media has democratized entrepreneurial knowledge, shifting the narrative from women as “homemakers” to women as “market movers.” This cultural pivot has normalized female-led investment and high-stakes negotiation in the everyday Indian household.

- **Vineeta Singh (Sugar Cosmetics):** Built a premium beauty brand for Indian skin tones, inspiring women to pursue “grit-led” entrepreneurship over conventional corporate security.
- **Namita Thapar (Emcure Pharmaceuticals):** She manages a global pharma giant while actively investing in female-founded startups to bridge the gender gap in healthcare and business leadership.
- **Ghazal Alagh (Mamaearth):** She pioneered a billion-dollar toxin-free baby care brand, proving that parental concerns can be transformed into world-class “Unicorn” enterprises.
- **Parul Gulati (Nish Hair):** By securing a major deal for her hair-extension brand, she demonstrated how a digital-first approach can scale a home-based passion into a ₹50-crore empire.
- **JhaJi Store:** Founded by sisters-in-law from Bihar, this venture proved that traditional Mithila pickling skills could be scaled into a national MSME through authentic regional branding.
- **Menstrupedia:** This innovative platform used the “Shark Tank” stage to secure funding for comic-based menstrual education, successfully turning a social taboo into a profitable educational business.

#### The Influencer Effect

Digital platforms have created a new pathway for women to bypass traditional gatekeepers and speak directly to consumers.

- **Kusha Kapila:** She transitioned from a viral content creator to a powerful brand collaborator, using her influence to provide market visibility for grassroots women entrepreneurs.

- **Malvika Sitlani & Masoom Minawala:** These creators shifted from “promoting brands” to “founding brands” in the luxury and beauty sectors, proving that a digital community is a robust foundation for an MSME.

### **Socio-Cultural and Structural Challenges**

Despite the transformative potential of women-led MSMEs, several structural and socio-cultural bottlenecks continue to hinder their long-term growth and equity. A primary challenge is “collateral poverty”; because traditional property rights in India predominantly favor men, women often lack the land or assets required to secure the high-value formal loans needed for significant scaling, leaving a financing gap estimated at over \$150 billion. Furthermore, women entrepreneurs face a “double burden” of time poverty, where the persistent social expectation to manage the vast majority of unpaid domestic work creates a “gendered ceiling” that limits their operational capacity and ability to network. This is often exacerbated by the prevalence of early marriages in rural regions, which prematurely restricts a woman’s educational attainment and economic mobility before her career can even begin. Additionally, a deeply ingrained patriarchal market mindset remains a barrier, where male-dominated trade networks and distributors frequently undervalue women’s professional agency, making it difficult for them to negotiate on equal terms. This is compounded by a digital gender divide in rural heartlands, where women are significantly less likely to own independent smartphones, restricting their access to global “phygital” markets. Finally, there is a prominent “scaling paradox” where ventures often remain stuck as micro-enterprises or “lifestyle businesses” due to a lack of specialized mentorship in complex areas like supply chain logistics, export regulations, and high-tech manufacturing, preventing them from graduating into high-impact medium-scale industries.

### **Way Forward: A Roadmap for Inclusive “Viksit Bharat”**

To realize the vision of Viksit Bharat by 2047, India is transitioning from “development for women” to “women-led development.” As highlighted in the Union Budget 2026–27, the government has reported a record allocation of ₹5.08 lakh crore for the welfare of women, signaling that gender-responsive governance is now a core economic strategy. A critical pillar of this roadmap is the shift from credit-led livelihoods to enterprise ownership. This is being actualized through the establishment of SHE Marts—community-owned retail outlets that enable Self-Help Groups (SHGs) to control their own supply chains and move toward the “SHE” (Self-Help Entrepreneur) branding, which provides rural products a premium platform to compete in global markets.

True transformation requires an intersectional approach that addresses “time poverty” and the “digital divide.” The expansion of the Palna Scheme (Anganwadi-cum-creches) and the establishment of girls’ hostels in every district for STEM students are strategic moves to reduce the care-giving burden and improve safety. Further, integrating women into high-tech sectors through the Namu Drone Didi Scheme and ₹10,000 crore SME Growth Fund ensures that female-led MSMEs are not restricted to traditional crafts but are competitive in electronics, fisheries, and green energy. By leveraging these “Phygital” infrastructures, India can tap into an estimated \$0.7 trillion in additional GDP, transforming women from credit-seekers into the nation’s primary wealth-creators.

### **Conclusion**

In conclusion, the rise of the woman entrepreneur in India marks a definitive shift from the periphery to the center of the national development narrative. From grassroots Lakhpati Didis to the high-stakes innovation seen on Shark Tank India, female leadership has become the most resilient engine of India’s \$5 trillion ambition. This transition is not merely a statistical increase in the workforce; it is a profound reclamation of agency. By contributing to nearly 23% of formal MSME employment, women are no longer passive beneficiaries of growth but are the architects of a modern, sovereign, and self-reliant republic.

The “multiplier effect” of women’s entrepreneurship remains its most transformative quality. Women consistently reinvest up to 90% of their income into family health and education, creating a “double dividend” that breaks generational poverty. This virtuous cycle, bolstered by state scaffolding like PMMY and the new SHE initiative, dismantles patriarchal gatekeepers. As women move from “borrowers” to builders, they are rewriting the social contract of India, proving that progress is only truly sustainable when it is inclusive. Ultimately, the story of the Indian woman entrepreneur is the story of Viksit Bharat—a future where a woman’s leadership is the recognized cornerstone of a global superpower.

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