

Role of Government in Alleviating the Challenges Faced by Women Entrepreneurs of Uttar Pradesh

Pragya Dubey¹, Prof. Deepak Babu²

¹Research Scholar, Siddharth University, Kapilvastu, Siddharth Nagar

²Professor, Siddharth University, Kapilvastu, Siddharth Nagar

ABSTRACT

The paper examines the obstacles encountered by women entrepreneurs of Uttar Pradesh and the role of government schemes in addressing and overthrowing these challenges. Despite various obstacles such as limited funds, lack of support, and gender norms, female entrepreneurs contribute remarkably to the economy. A nation's long-term development plan isn't complete unless this sector is given enough consideration and sufficient information before policy decisions are made. Other than these, women's involvement in economic growth necessitates policies that would reduce their household responsibilities and free them up to engage in other economically and socially beneficial activities. To enhance the existence of women entrepreneurs the government supports and encourages their participation in the economy through financial aid, training and skill development programs, and providing various support networks through a variety of initiatives. The following paper examines the obstacles encountered by women entrepreneurs of Uttar Pradesh and a thorough view of the overall role of government schemes in addressing and overthrowing these challenges.

Keywords: women entrepreneurs, mudra yojana, women empowerment, financial accessibility, financial inclusion

1. INTRODUCTION

People's entrepreneurial spirit propels economic development. A crucial idea for the growth of the economy is women's entrepreneurship. Despite having better abilities and working harder than their male counterparts, female entrepreneurs sometimes encounter more obstacles in their quest for recognition and success in the business world. If the importance of female entrepreneurs is overlooked, the conversation about the importance of entrepreneurship will be lacking. According to the Report of International Finance Corporation & World Bank (2014), India might generate more than 30 million women-managed businesses and Between 150 and 170 million employment by encouraging women to start their businesses.

Globalization, privatization, and liberalization have been given credence by the Indian government since 1991. It facilitated faster economic expansion. However, research shows that some groups are socially, financially, educationally, and psychologically marginalized. Women are one of them. To uplift the status of women & to cultivate an entrepreneurial mindset among women, the government has launched different

programs and schemes. Intending to encourage the sustainable expansion of female entrepreneurs for the country's balanced development, Startup India's mission is to promote entrepreneurship.

2. CONCEPTUAL FRAMEWORK

2.1 ENTREPRENEURS: The person or group of people who take risks to establish a business to get some economic benefit is known as an entrepreneur. An entrepreneur boosts the economy by generating employment, supplying the necessary goods and services, and conducting research and development for the good of society. In the current era, entrepreneurship is becoming more and more important. It is a widespread occurrence.

2.2 ENTREPRENEURSHIP: The term "entrepreneurship" describes establishing a new business after analyzing the available opportunities in the market. It includes all those activities which an entrepreneur undertakes.

2.3 WOMEN ENTREPRENEURS

As per the Government of India Women are regarded as entrepreneurs when they own and run a business with a minimum financial stake of 51% of the capital and when they account for at least 51% of the employment created by the business.

According to the Mastercard Index of Women Entrepreneurs, India came in at number 57 out of 65 nations (MIWE, 2021). The nation has seen notable business and economic progress because of the growing participation of women entrepreneurs.

In the 68th round of the NSS, conducted in 2011–12, the percentage of female-headed households in India was 12.4% in urban areas and 11.5% in rural areas. According to the 2011 Population Census, 65.46 percent of women were literate. Additionally, according to the 2011 Population Census, the rate of female labor force participation was 25.51. Whereas, NSO (2021 and 2022) and the National Family Health Survey (NFHS-5) both report a 77.70% literacy rate, with male literacy of 84.70% and female literacy of 70.30%. Women are now participating actively in all levels of decision-making. Their contributions to the nation's economy are significant since they encourage young women to take calculated risks and create jobs.

2.4 CONTRIBUTION OF WOMEN ENTREPRENEURS IN INDIAN ECONOMY

The Indian economy benefits greatly from the efforts of female entrepreneurs. **Approximately three million micro, small, and medium-sized businesses are owned entirely or in part by women.** According to the McKinsey Global Institute (MGI), **adding 68 million more women to the workforce by 2025 may increase India's GDP by USD 0.7 trillion.** According to the World Bank, employing half of its female workforce could boost GDP growth in India by 1.5 percentage points. As to the Global Entrepreneurship Monitor (GEM), in low-income countries, women often exhibit high rates of total early-stage entrepreneurial activity (TEA). **According to GEM, female entrepreneurs in India stated that the inability to find work was a stronger incentive for starting a business than the chance to expand it and make money.** Around the world, one in six women stated that they planned to launch a business soon. Roughly 28% of women indicated that they intended to launch a firm, which was the highest rate of entrepreneurial intention seen in low-income nations. According to the report, 10% of women entrepreneurs worldwide were just starting their businesses. (These and other findings were included in the recently released GEM 2022/2023 Women's Entrepreneurship study, Challenging Bias and Stereotypes.) As per October 2022 NITI Aayog paper "Decoding Government Support to Women Entrepreneurs in India," **women's economic contribution to India amounts to 17% of the country's GDP.**

OBJECTIVE OF THE STUDY

- To study about the challenges that female entrepreneurs confront.
- To study about the government schemes addressing the challenges faced by women entrepreneurs.
- To study government program's impact on female entrepreneurs to help them overcome the obstacles they encounter.

3. LITERATURE REVIEW

Singh, 2008, describes the motivations and influencing elements for women's introduction into business. His research shows several barriers to the expansion of women-owned businesses. The report urges the Government of India to maintain coordination across its ministries dealing with women, the economy, and social and welfare development. He highlighted the barriers which hinders women in expansion of their business but not explored the specific mechanism and policy which would help women to deal with these barriers.

Sharma, (2013), stated in her research paper that With the right support and encouragement from the government, family, and society, Women are capable of starting, maintaining, and overseeing their own businesses in a very methodical manner. He highlighted the importance of the right support system from different parts of society but did not analyze how these support groups help them to work effectively specifically in Uttar Pradesh.

Dr. Shukla in her study revealed that certain metrics show that women's situation in Uttar Pradesh is not excellent in comparison to the position of women in the rest of India. Several indicators show that women in Uttar Pradesh have relatively little freedom of movement, self-control, and power to effect change. Dr. Shukla stated about the position of women in Uttar Pradesh but somewhere his research work lacks in providing specific recommendations on women entrepreneurs government support system work.

Kumar, S., & Agarwal, N. (2022), gender gap in entrepreneurship is examined in this paper along with the ways in which government initiatives have tried to close the gap. It also emphasizes the need for more inclusive policies and the persistence of gender biases.

Choudhury, S., & Sharma, P. (2020), in their research evaluates several government schemes and programs, with an emphasis on Uttar Pradesh, including the Mudra Yojana and Stand-Up India. It draws attention to issues like inadequate outreach and administrative roadblocks.

In her research, Kaushik, (2013), suggested that Women entrepreneurs require minimal training, modest financial assistance, and encouragement from all spheres of society—the family, the government, and society at large. It is hoped that the advice provided in the essay will assist business owners in particular in identifying these issues and creating more effective government plans. Her research work did not talk about the effectiveness of programs run by the government.

Priyadarshi,(2024) in his research revealed that the use of digital financial services to improve business operations is more common among female entrepreneurs who possess a greater level of financial literacy. Financial inclusion for female entrepreneurs can thus be greatly improved by fostering financial education in conjunction with the implementation of FinTech solutions. He highlighted the use of financial services applications to improve working of women entrepreneurs but somewhere lacked in providing details about government schemes which are helping women to grow.

Singh, A., & Mishra, K. (2021), in their research assesses the effects of financial aid programs on women entrepreneurs and finds that, Even with the availability of financial aid, issues such as low rendering rates and a lack of focused assistance persist.

Gupta, P., & Patel, N. (2020), critically evaluates government schemes such as the PMEGP (Prime Minister's Employment Generation Programme) and their effectiveness for women entrepreneurs in Uttar Pradesh. It concludes that although programs offer initial assistance, problems with execution and a lack of follow-up restricts the long term sustainability and success.

Jain, P., & Gupta, R. (2023), The efficacy of government-sponsored training programs is assessed in this study, which concludes that although these programs improve abilities, they fall short in addressing the real-world difficulties of launching and operating a firm.

SirumalarRajam & Soundararaja, (2016), found that the first big issue that women face is money. If women are eager to conduct business without requiring lengthy procedures, banks and other financial institutions ought to lend them money. They highlighted the problem of accessibility of finance but did not provide useful recommendations on how government schemes and programs could facilitate the easy access of funding.

Dr. Sunil, in his paper, highlighted the positive and negative aspects of an enterprise and offered answers to the different issues that the female entrepreneur community faces.

Rao, K., & Mehta, S. (2020), revealed the opportunities and difficulties faced by female entrepreneurs and evaluated how government policies may help to resolve these problems. The study emphasizes the need for more focused initiatives and the notable gaps in policy execution.

Rajani & Sarada, (2008), have produced a report on the different women's support networks. This research represents an attempt to investigate the influence of family in successful women's business. They explore the role of support from family in success and failure of women entrepreneurs but do not consider the role of government support in improving the growth of women entrepreneurs.

Research Gap: The literature review discusses various aspects of assistance, from Government, Family, and society, and obstacles but lacks a thorough view of the overall role of government in directing the complicated challenges faced by women entrepreneurs of Uttar Pradesh. The following paper examines the obstacles encountered by women entrepreneurs of Uttar Pradesh and a thorough view of the overall role of government schemes in addressing and overthrowing these challenges.

RESEARCH METHODOLOGY

The produced paper is primarily a descriptive study. The target population for the research was Women Entrepreneurs of Uttar Pradesh. The paper is based on secondary data and the data have been collected through different central and state government reports, thoroughly examined published books, conference papers, working papers, periodicals, websites, and publications by various scholars and researchers.

4. PROBLEMS FACED BY WOMEN ENTREPRENEURS

Establishing your own business is difficult, and it gets harder for a woman. Despite having superior skills and hard work, women have to struggle to build their image in society than their male counterparts. According to the Mastercard Index of Women Entrepreneurs, hardly 7 out of 100 entrepreneurs in India are female. As per Google-Bain analysis, only 20% of enterprises in the nation are owned by women. **Additionally, the World Economic Forum's 2021 report reveals a staggering 72% gender imbalance in India's labor sector.** Problems faced by women entrepreneurs can be divided into two categories, the first one is while starting the business, and the second one is related to running a business smoothly :

Category	Challenges
Starting Business	Lack of financial support, Lack of exposure, Educational factor, Insufficient Self-Assurance, Absence of an Environment Fostering Entrepreneurship
Running Business	Tough Competition, Limited funding, Selecting and supervising personnel, Management skill, Marketing & sales, Managing funds, Overwhelming stress and difficulties
Financial Issues	Insufficient access to capital, Limited funding, Financial Issues, Insufficient ability to communicate
Supply Chain	Insufficient Supply of Raw Materials
Gender-related Challenges	Conventional Gender Roles, Discrimination/ Gender Gap, Juggling Family and Business obligations, Maternity
Institutional and Social Support	Absence of Institutional and Social Support
Market Access	Limited access to the market

Source: Chart prepared by author after Analysis of various articles and research papers

4.1 CHALLENGES AND GOVERNMENT SCHEMES ADDRESSING THE CHALLENGES

Some of them are given below addressing the challenges faced by women entrepreneurs :

CHALLENGES	GOVERNMENT SCHEMES ADDRESSING THOSE CHALLENGES
<ul style="list-style-type: none"> Economic challenges 	<ol style="list-style-type: none"> Stand-Up India: Facilitate bank loans to women entrepreneurs between ₹ 10 lakh and upto ₹ 1 cr. Mahila Sanarthya: Provide financial assistance to self-help organizations with a maximum limit of ₹ 1.25 Lakhs. Mahila Udayam Nidhi: Financial support to women-led startups up to ₹ 10 lakh Pradhan Mantri MUDRA Yojana (PMMY): offers loans to non-farm, non-corporate small and micro firms, including women, up to Rs. 10 lakh.
<ul style="list-style-type: none"> Discrimination/ Gender stereotype 	<ol style="list-style-type: none"> Beti Bachao Beti Padhao (BBBP) Campaign: Strives to advance gender equality and alter societal perceptions about girls. Beti Hai Anmol Yojana: Provides assistance in the education of girls and offers gender equality.

	<p>3. Uttar Pradesh Women's Helpline: offers help and counseling to women who are the targets of prejudice and stereotypes based on their gender.</p>
<ul style="list-style-type: none"> • Lack of Education 	<ol style="list-style-type: none"> 1. Kishori Shakti Yojana: Empowering girls through education 2. National Scheme of Incentives to Girls for Secondary Education: The program's objective is to motivate females to pursue higher education.
<ul style="list-style-type: none"> • Lack of digital Literacy 	<p>Digital Saksharta Abhiyan (DISHA): This scheme provides digital literacy and access to technology to women entrepreneurs.</p>
<ul style="list-style-type: none"> • Lack of entrepreneurial skills 	<ol style="list-style-type: none"> 1. Nai Roshni Scheme for Leadership Development of Minority Women: Skill development and leadership training program for women entrepreneurs.
<ul style="list-style-type: none"> • Limited access to Legal advisory 	<ol style="list-style-type: none"> 1. Uttar Pradesh State Legal Services Authority (UPSLSA): Provides free legal aid and support services to women entrepreneurs facing legal challenges. 2. Uttar Pradesh Mahila Kisan Sashaktikaran Pariyojana (MKSP): Empowers women farmers by providing legal aid and guidance on land rights and property ownership.
<ul style="list-style-type: none"> • Safety and Security 	<p>Mahila Udyog Suraksha: This scheme Ensures the safety and security of women entrepreneurs</p>
<ul style="list-style-type: none"> • Complex regulatory environment 	<ol style="list-style-type: none"> 1. Uttar Pradesh Single Window Clearance System: Provides a single platform for obtaining clearances and approvals. 2. Uttar Pradesh Industrial Investment and Employment Promotion Policy: Simplifies rules and regulations and eases the doing of business.
<ul style="list-style-type: none"> • Lack of training 	<p>Support to Training and Employment Program (STEP): Provides skill development program and employment opportunities to women.</p> <p>Jan Shikshan Sansthan (JSS): skill development through informal training.</p> <p>Rural Self-Employment Training Institutes (RSETIs): Provide skill development programs and training in rural areas.</p>
<ul style="list-style-type: none"> • Lack of support network 	<p>Women Entrepreneurship Platform (WEP): It is an online platform for women entrepreneurs to provide them with support and networking opportunities.</p>

<ul style="list-style-type: none">• Inadequate Transportation	Uttar Pradesh Urban Transport Policy: Aims to improve transportation infrastructure, including safer and accessible public transport for women.
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From the above table we can find that there are several government schemes available to address the diverse obstacles faced by women entrepreneurs. For economic support, initiatives like Stand-Up India, Mahila Sanartha, Mahila Udayam Nidhi, and Pradhan Mantri MUDRA Yojana (PMMY) provide various forms of financial assistance, including loans and grants. To combat discrimination and gender stereotypes, schemes such as the Beti Bachao Beti Padhao (BBBP) Campaign, Beti Hai Anmol Yojana, and the Uttar Pradesh Women's Helpline focus on advancing gender equality and supporting women facing prejudice. Education-related challenges are addressed by Kishori Shakti Yojana and the National Scheme of Incentives to Girls for Secondary Education, which promote educational opportunities for girls. Digital literacy is enhanced through the Digital Saksharta Abhiyan (DISHA), while the Nai Roshni Scheme provides leadership and skill development for women entrepreneurs. Legal support is available through the Uttar Pradesh State Legal Services Authority (UPSLSA) and the Uttar Pradesh Mahila Kisan Sashaktikaran Pariyojana (MKSP). Safety and security are prioritized with the Mahila Udyog Suraksha scheme. To simplify business processes, the Uttar Pradesh Single Window Clearance System and Uttar Pradesh Industrial Investment and Employment Promotion Policy streamline regulations. Training opportunities are offered through the Support to Training and Employment Program (STEP), Jan Shikshan Sansthan (JSS), and Rural Self-Employment Training Institutes (RSETIs). The Women Entrepreneurship Platform (WEP) provides a supportive network, while the Uttar Pradesh Urban Transport Policy aims to improve transportation infrastructure for women.

CONCLUSION & SUGGESTION

The role of the government in addressing the challenges faced by women entrepreneurs in Uttar Pradesh is critical for economic growth and societal progress. This paper examines the numerous barriers faced by female entrepreneurs in Uttar Pradesh, from limited resources and gender stereotypes to difficulty accessing education and support systems. Despite these difficulties, female entrepreneurs in the state exhibit incredible fortitude and contribute significantly to the economy. Government action is necessary to address these problems and foster an environment that encourages the success of female entrepreneurs. Initiatives such as the Pradhan Mantri MUDRA Yojana, Mahila Sanartha, and Stand-Up India provide women entrepreneurs with the necessary financial backing and capital to establish and expand their businesses. In addition, initiatives such as the Kishori Shakti Yojana and Beti Bachao Beti Padhao aim to challenge gender norms and promote girls' education, laying the foundation for a future cohort of female entrepreneurs. In addition, programs like Kishori Shakti Yojana and Beti Bachao Beti Padhao seek to dispel gender stereotypes and encourage girls' education, creating the groundwork for a future generation of women entrepreneurs.

In conclusion, achieving the full capabilities of women as catalysts for the growth of the economy and change agents depends on the government's ability to lessen the obstacles faced by Uttar Pradesh's female entrepreneurs. The government may foster an atmosphere that supports the growth and prosperity of women entrepreneurs by enacting certain policies and initiatives, which will ultimately benefit the state's overall development.

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