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Assessing the Role of Women Micro-Entrepreneurs in Promoting Gender Equality

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Abstract
Women micro-entrepreneurs are vital to advancing gender equality, as they boost women's economic involvement, decision-making authority, and social empowerment. Micro-entrepreneurship serves as a vital route to Sustainable Development Goal (SDG 5) by improving women's access to income, assets, and influence in household and community decisions.
This study evaluates how women's micro-entrepreneurship fosters gender equality, analysing both economic impacts and non-economic empowerment aspects like mobility, household decision-making, and community participation. It explores the roles of microcredit access, digital and financial literacy, market connections, and support systems in advancing SDG 5 targets such as ending discrimination, bolstering economic rights, and valuing unpaid care work. The paper advocates for a holistic, gender-sensitive policy framework that integrates financial inclusion with skills training, shifts in social norms, and robust institutions to harness micro-entrepreneurship fully for SDG 5.
Using the secondary data and empirical methods, the study reveals that while micro-entrepreneurship bolsters women's economic standing, its potential for deeper change is limited by entrenched barriers like patriarchal norms, restricted asset ownership, and caregiving responsibilities. It recommends bolstering institutional support, expanding finance and training opportunities, and tackling systemic gender biases to amplify women micro-entrepreneurs' contributions to lasting, inclusive gender equality.

Keywords: Micro-Entrepreneurship, Women Empowerment, SDG-5, Sustainable Development Goals, Gender Equality.

Introduction

The pursuit of gender equality, as embodied in the United Nations Sustainable Development Goal 5 (SDG 5), is increasingly recognized not merely as a moral necessity but as a foundational pillar for global economic resilience and social stability. Central to this objective is the role of women micro-entrepreneurs, who serve as primary agents in enhancing women’s economic participation, expanding decision-making power, and fostering broader social empowerment. By providing pathways to income generation and asset ownership, micro-entrepreneurship facilitates the dismantling of traditional hierarchies within households

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and communities. However, as the following analysis demonstrates, the transformative potential of these small-scale enterprises is often tempered by pervasive structural barriers, including patriarchal social norms, the disproportionate burden of unpaid care work, and significant gaps in digital and financial literacy. This report synthesizes a diverse range of reliable secondary data sources including international monitoring frameworks, national statistical surveys, and sectoral reports to examine the interplay between micro-enterprise development and the multi-dimensional facets of women's empowerment.

SDG 5 and Economic Parity

The international architecture for monitoring progress toward gender equality is anchored in the indicators established by UN Women and the UN Data Hub. These sources provide the baseline for tracking Target 5.a, which mandates reforms to give women equal rights to economic resources, including access to financial services and control over land and property. Despite decades of advocacy, data from 2024 covering 131 countries reveals that no nation has achieved a perfect score across the critical dimensions of legal frameworks, violence prevention, economic benefits, and family rights. In nearly half of the surveyed countries, men are at least twice as likely as women to own land, a disparity that directly restricts the ability of women to provide collateral for business expansion.

Table-1: Gender Equality and Economic Parity

SDG 5 Target Indicator	Global Status/Benchmark (2024)
Equality in Constitutional Frameworks	143 countries guarantee equality; 52 pending
Women in Management Positions	30% globally; parity projected in 100 years
Unpaid Care and Domestic Work	Women do 2.5x to 4x more than men
Access to Financial Accounts	Narrowing gap; 74% women vs 78% men

Source: UN Women Data Hub, UN Gender Snapshot, World Bank.

This data underscores the uneven global progress toward SDG 5, revealing persistent gaps despite some advancements. While 143 countries embed equality in their constitutions, 52 still lag, and women hold just 30% of management roles, with parity potentially a century away, highlighting entrenched leadership barriers. The stark imbalance in unpaid care work, where women shoulder 2.5 to 4 times more than men, perpetuates economic disadvantage, even as financial account access narrows (74% for women vs. 78% for men). Overall, it signals that legal frameworks and financial inclusion are advancing, but transformative change demands urgent action on social norms, care burdens, and workplace equity to accelerate gender equality. The Global Gender Gap Report 2024 by The World Economic Forum (WEF) estimated that it would take almost 134 years to reach gender equality at the current rate. While educational and health outcomes have achieved near parity across most regions, the economic participation and opportunity sub-index shows little meaningful progress. Women's representation in senior management remains limited, and the gender wage gap persists, with women earning less than men for equivalent work.

Formalization of MSME

The formalization of women's micro-enterprises is a critical step toward ensuring access to institutional credit and government support systems. The Ministry of Micro, Small and Medium Enterprises (MoMSME) provides the most reliable data on this transition through the Udyam Registration Portal and the Udyam Assist Platform (UAP). Since the revised definition of MSMEs was introduced in July 2020, shifting the criteria to a composite of investment and annual turnover, there has been a landmark surge in registrations.

By November 2024, more than 2.86 crore women-led MSMEs were registered on these platforms. Interestingly, women constitute 20.5% of total registered MSMEs on the main Udyam portal, but their share in the informal sector, captured via the Udyam Assist Platform for Informal Micro Enterprises (IMEs), is a staggering 70.49%. This suggests that while women are highly active in the micro-entrepreneurship space, they are disproportionately represented in the smallest, often unorganized, tiers of the economy.

Table 2: Revised MSME Classification Criteria and Women-Owned Enterprise Shares (2024)

Category of Enterprise	Investment Limit (₹)	Turnover Limit (₹)	Women-Owned Share (%)
Micro Enterprises	Up to 2.5 Crore	Up to 10 Crore	~20% (Udyam) / 70% (IME)
Small Enterprises	Up to 25 Crore	Up to 100 Crore	Marginal compared to Micro
Medium Enterprises	Up to 125 Crore	Up to 500 Crore	Negligible participation

Source: Ministry of Micro, Small & Medium Enterprises (MoMSME), Udyam Registration Portal & Udyam Assist Platform (UAP) Reports, November 2024.

State-level data underscores significant geographical variations in entrepreneurial formalization. Maharashtra, Tamil Nadu, and West Bengal are the leaders in women-led MSME registrations, with Maharashtra alone accounting for 33.54 lakh units. These regions benefit from better market linkages, higher literacy rates, and more robust supportive ecosystems. In contrast, smaller states and Union Territories, while showing encouraging participation rates relative to their populations, struggle with scalability due to infrastructure deficits.

Uttar Pradesh

Uttar Pradesh (UP) offers a key example for examining gaps in policy execution and gender-related results. It has shown notable improvement in its overall SDG performance, rising to 11th place in NITI Aayog's SDG India Index 2023-24, but SDG 5 (Gender Equality) remains among its weaker goals.

In the national SDG India Index 2023-24 by NITI Aayog, Uttar Pradesh joined the "Front Runner" category (score 65-99), with India’s national SDG 5 score advancing from 36 in 2018 to 49. The state government's SDG dashboard tracks district-level progress under 301 indicators aligned with the National Indicator Framework.

UP's official SDG portal provides real-time district rankings, where most districts fall in the "Aspirant" category for SDG 5 despite overall state gains. Regional disparities persist, with Eastern UP outperforming Bundelkhand and Western regions in gender metrics.

Table 3: Uttar Pradesh SDG 5 Performance

Metrics	UP Performance (Latest)	National Context
Overall SDG Score	Front Runner	71 (India avg.)
SDG 5 National Score	Improved state rank	49 (up from 36)
District Categories	Majority Aspirant in SDG 5	Varies

Source: NITI Aayog SDG India Index 2023-24 & UP SDG Dashboard.

Uttar Pradesh (UP) demonstrates notable advancement in SDG performance, classified as a "Front Runner" in overall SDG scores (exact figure not publicly detailed), surpassing India's national average of 71. On SDG 5 (Gender Equality), UP improved its state ranking while the national score rose from 36 to 49, reflecting gains in metrics like sex ratio at birth (929 females per 1,000 males) and female labour participation. However, most UP districts remain "Aspirant" in SDG 5, indicating low performance needing acceleration, amid varying district-level outcomes nationwide. This data signals UP's competitive progress against national benchmarks but highlights intra-state disparities, where district-level interventions are crucial to lift Aspirants toward Front Runner status.

UP shows positive links between SDG 5 and areas like Zero Hunger (SDG 2) and Quality Education (SDG 4). This suggests that gains in gender equality often align with progress in nutrition and schooling at the broader state level. Yet district data reveals inverse relationships with Good Health and Well-being (SDG 3). In certain regions, increased female workforce involvement may strain health or maternal metrics due to overlapping work and caregiving demands. These contrasts highlight uneven policy effects across UP.

Literature Review

Early studies from the late 1990s and early 2000s explored microenterprises through competing frameworks.

Linda Mayoux (2000) highlights the feminist empowerment paradigm, which views microfinance as an initial catalyst for socio-political transformation; the financial self-sustainability paradigm, stressing individual self-reliance; and the poverty alleviation paradigm, focusing on microfinance's role in reducing poverty. Organizations like WIEGO underscore women's substantial role in the informal economy, aiding fulfilment of essential needs.

Naila Kabeer's influential research (1999, 2005) defines empowerment via three core elements: resources (access and future entitlements), agency (capacity for strategic life decisions), and achievements (enhanced well-being results). These components provide a structured lens for assessing women's progress in labour markets, including the rising female LFPR trends noted in recent PLFS data. The study shows that despite the improved status of women through micro-entrepreneurship; patriarchy still remains an obstacle in achieving a true socio-political change.

Garikipati (2012), utilizing time-use data from rural India, argued that access to micro-loans did not necessarily translate into empowerment if the resulting assets were owned or controlled by male family members. This study concluded that the use of the loan, specifically in self-managed enterprises, was more critical for enhancing a woman’s work value than mere access to credit.

After the formal adoption of Sustainable Development Goal 5 (SDG 5) in 2015, studies increasingly connected micro-enterprises to worldwide objectives for gender equality.

Paramanandam and Packirisamy (2015) demonstrated through evidence that Self-Help Groups (SHGs) boosted rural women's self-confidence and freedom of movement, helping them to break free from conventional physical and societal constraints.

Alkhaled and Berglund (2018) drew a crucial line between empowerment and emancipation, noting that entrepreneurship often strengthens women personally within current systems, whereas collective emancipation, which confronts patriarchy's entrenched power, progresses slowly and demands deep changes in social norms.

The early 2020s and COVID-19 crisis spotlighted care economy obstacles, with research showing how the pandemic intensified women's double workload by merging paid and unpaid domestic labour. The UN

Women's 3R Programme (2021–2023) advanced strategies to Recognize, Reduce, and Redistribute unpaid care tasks, promoting time-efficient tools and health coverage as vital non-financial aids for micro-entrepreneurs.

Pandhare et al. (2024) study indicates that Digital Financial Literacy (DFL) has become a primary mediator for firm performance, allowing women to bypass mobility restrictions via e-commerce.

Shamieh and Bastian (2025) proposed modern frameworks which now urge a move away from male-centric "trait-based" resilience, advocating instead for a "process-based" model that accounts for the specific structural barriers, such as caregiving burdens and limited property rights, that women navigate.

Current policy directions from the **ILO (2025–2030)** and **UN Women (2025)** now promote a "5R" framework, adding "Reward" and "Represent" to the original care agenda. This not only ensures the economic participation of women but also their political representation and social protection in an increasingly digital and green global economy.

Research Gap

The official government and international data show that there is a rise in the female labour force participation in economic activities, but mere figures don't indicate their empowerment status and gender equality. Other factors like the motivation behind their work, if the job is paid or unpaid, and their role in household decisions, matter.

Secondary data from the Periodic Labour Force Survey (PLFS) 2023-24 shows a significant rise in the Female Labour Force Participation Rate (LFPR) in India, reaching 41.7%. Yet, closer examination of the dataset indicates that most of this LFPR surge stems from self-employment and unpaid family labour, for instance, 53.1% of employed women in Uttar Pradesh serve as unpaid helpers. While studies often hail the LFPR increase as progress toward SDG 5, few integrate secondary data to pinpoint when such distress-fuelled survival jobs evolve into empowerment-oriented micro-entrepreneurship.

The Udyam Registration Portal (formal MSMEs) shows women comprising just 20.5% of registered entities, versus 70.49% ownership of Informal Micro-Enterprises (IMEs) on the Udyam Assist Platform (UAP). Literature predominantly examines registered MSMEs due to easier access, overlooking UAP data's potential to assess nano-enterprises' socio-economic effects on gender equality, units typically ignored in conventional models.

NFHS-5 reveals 88.7% of married women now join household decisions, with 78.6% holding bank accounts, a 35-percentage-point rise in five years, yet gaps persist between access (e.g., accounts or wages) and control (independent use). SDG 5 and 8 metrics draw criticism for prioritizing participant counts over empowerment's quality or durability.

Estimates diverge sharply across surveys; NFHS land ownership figures for women exceed AIDIS estimates by nearly sixfold. No comprehensive study yet reconciles these inconsistencies to clarify women's economic rights under SDG Target 5.a, risking flawed policy benchmarks for micro-entrepreneurs. Secondary data remains underutilized to trace identity shifts, from microcredit recipients to change agents, across rounds like NFHS-4 to NFHS-5.

Objectives

1. To analyze the current trends and patterns of women's micro-entrepreneurship in India.
2. To assess the role of women micro-entrepreneurship in promoting gender equality by examining both economic outcomes and non-economic dimensions of empowerment.

3. To investigate the "distress-driven" nature of female self-employment.
4. To identify the structural barriers that constrain the transformative potential of micro-enterprises.
5. To evaluate the effectiveness of the institutional support ecosystem in bridging the gender parity gap.

Research Methodology

This study uses an empirical and descriptive research methodology based exclusively on secondary data sources. The data was synthesized from the following reliable institutional sources:

- National Statistical Office (NSO): Periodic Labour Force Survey (PLFS) 2023-24 and Time Use Survey (TUS) 2019/2024.
- Ministry of Health & Family Welfare: National Family Health Survey (NFHS-5) 2019-21.
- Ministry of MSME: Udyam Registration Portal and Udyam Assist Platform (UAP) 2024 reports.
- Reserve Bank of India (RBI) & NABARD: Financial Inclusion Index 2024 and Status of Microfinance in India reports.
- International Monitoring Frameworks: UN Women Gender Snapshot 2024/25 and WEF Global Gender Gap Report 2024.

The data analysis involves triangulation of these datasets to identify correlations between economic activity and social autonomy indicators.

Data Analysis

Trends in Economic Participation

The Periodic Labour Force Survey (PLFS), conducted by the Ministry of Statistics and Programme Implementation (MoSPI), provides critical insights into women's labour market trends. The 2023-24 PLFS data reveals a significant rise in the Labour Force Participation Rate (LFPR) for women aged 15 and above, climbing to 41.7% from 23.3% in 2017-18. This growth is most pronounced in rural areas, where the LFPR nearly doubled from 24.6% to 47.6%. Although this increase is promising, it warrants scrutiny regarding employment quality and regional variations.

The "usual status" LFPR (including both principal and subsidiary activities) reveals that rural women participate at a much higher rate (47.6%) than urban women (28.0%). However, analytical reports from organizations like IWWAGE suggest that this surge is largely "distress-driven". In states like Uttar Pradesh and Bihar, the increase in women’s work is heavily concentrated in self-employment and "unpaid family work". For instance, in Uttar Pradesh, 86.6% of employed women are categorised as self-employed, but over 53% of these are unpaid helpers in family-run businesses or farms. These figures highlights that women are often entering the labour force not out of new economic opportunities but as a survival strategy to address household financial distress caused by stagnating agrarian incomes or the slow pace of job creation for male household members.

Quality of Female Employment Index (QFEI)

The PLFS 2023–24 data confirm that women’s Labour Force Participation Rate (LFPR) has risen sharply, from 23.3 percent in 2017–18 to 41.7 percent in 2023–24 for women aged 15 years and above. However, as noted earlier, a substantial share of this participation is concentrated in self-employment and unpaid family work, especially in agrarian states such as Uttar Pradesh, where 86.6 percent of employed women are self-employed and nearly half of all employed women are unpaid helpers in family farms or enterprises. To distinguish between mere numerical participation and genuinely empowering employment, this study constructs a simple composite indicator, the Quality of Female Employment Index (QFEI). The index is built from three status-and-sector components drawn from PLFS 2023–24 usual-status estimates (principal plus subsidiary status).

1. U: Share of women who are unpaid family helpers, expressed as a percentage of all employed women.
2. R: Share of women in regular/salaried employment, as a percentage of all employed women.
3. N: Share of women in non-agricultural employment (industry plus services), as a percentage of all employed women.

Each component is first converted into a proportion between 0 and 1 by dividing by 100: $u = U/100, r = R/100, n = N/100$. Since a higher share of unpaid helpers signals poorer quality, whereas higher regular employment and non-agricultural work signal better quality, the QFEI for each region is defined as:

$$QFEI = \frac{(1-u) + r + n}{3}$$

This formulation penalises regions where unpaid family work is prevalent and rewards regions where women are more likely to hold regular jobs and to be located in non-farm activities. The index ranges theoretically from 0 (worst case: all employed women are unpaid helpers in agriculture) to 1 (best case: no unpaid work, and all employed women are in regular, non-agricultural jobs).

Using this approach, the QFEI is calculated for India as a whole, for Uttar Pradesh, and for two relatively better-performing states, Maharashtra and Tamil Nadu. Table X reports the underlying components and the resulting index values.

Table 4: Quality of Female Employment Index (QFEI), Selected Regions, PLFS 2023–24

Region	**Female LFPR (%)**	**Women unpaid helpers (% of employed)**	**Women in regular jobs (% of employed)**	**Women in non-agri (% of employed)**	**QFEI (0–1)**
India	41.7	36.7	15.9	36.84	0.34
Uttar Pradesh	34.5	46.4	6.6	26.1	0.27
Maharashtra	40.1	31.3	24.5	58.8	0.51
Tamil Nadu	43.2	13.0	27.3	67.9	0.61

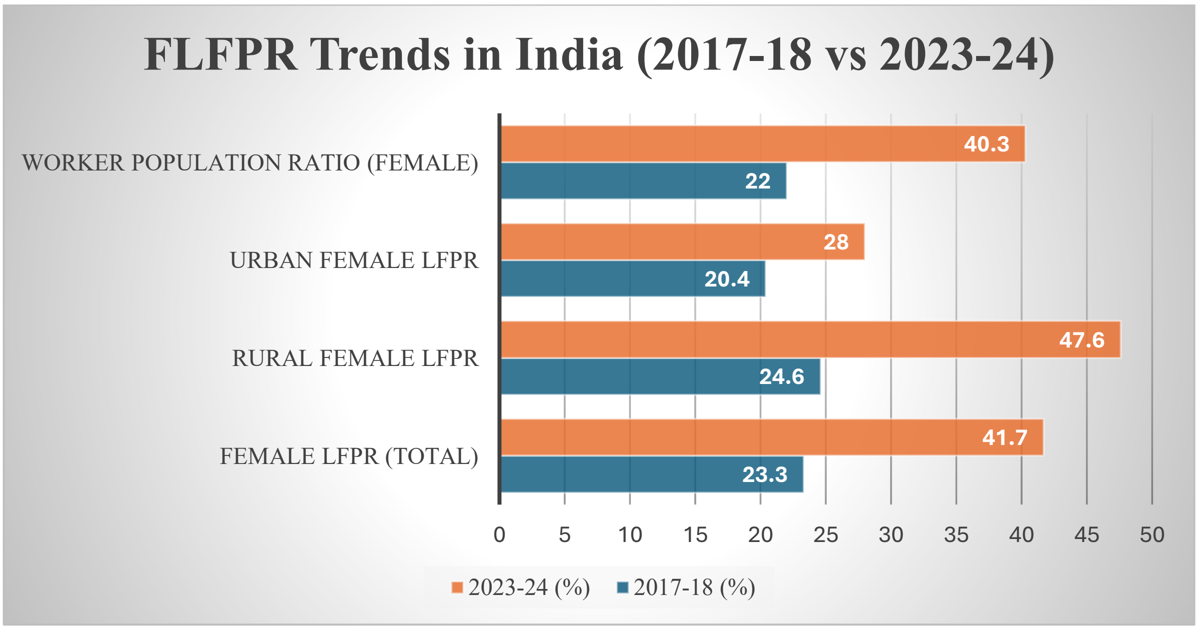
Source: Annual Report, PLFS 2023-24

For India, the combination of 36.7 percent unpaid helpers, 15.9 percent regular workers and 36.84 percent non-agricultural employment yields a QFEI of 0.34, indicating that the average quality of women's jobs is modest despite the notable rise in LFPR. Uttar Pradesh performs worse on all three components: nearly half of employed women are unpaid helpers (46.4 percent), only 6.6 percent are in regular jobs and just 26.1 percent are in non-agricultural work, resulting in a much lower QFEI of 0.27. This confirms that women's employment in UP is not only less prevalent than the national average, but also more heavily concentrated in unpaid, low-productivity roles, reinforcing the argument that much of the state's recent increase in participation is distress-driven rather than empowerment-driven.

By contrast, Maharashtra and Tamil Nadu achieve substantially higher QFEI scores of 0.51 and 0.61 respectively. In Maharashtra, women's unpaid helper share is lower (31.3 percent), almost a quarter of employed women hold regular/salaried jobs (24.5 percent) and a majority are located in non-agricultural sectors (58.8 percent), reflecting a more diversified and formalised employment structure. Tamil Nadu performs even better: only 13 percent of employed women are unpaid helpers, while 27.3 percent are in regular jobs and 67.9 percent in non-agricultural work, producing the highest QFEI among the four units considered. Notably, Tamil Nadu's female LFPR (43.2 percent) is only modestly higher than that of India, yet the quality of jobs available to women is almost twice as high as in Uttar Pradesh, illustrating that similar participation rates can correspond to very different empowerment outcomes depending on the composition of employment.

Overall, the QFEI results reinforce the central claim of this paper: rising female LFPR in India, and particularly in states like Uttar Pradesh, does not automatically translate into meaningful economic empowerment. Without a structural shift away from unpaid family work and low-productivity agricultural labour towards regular, non-farm micro-enterprise and wage employment, women's micro-entrepreneurship risks reproducing a feminised, informal labour reserve rather than advancing the transformative aspirations of SDG 5.

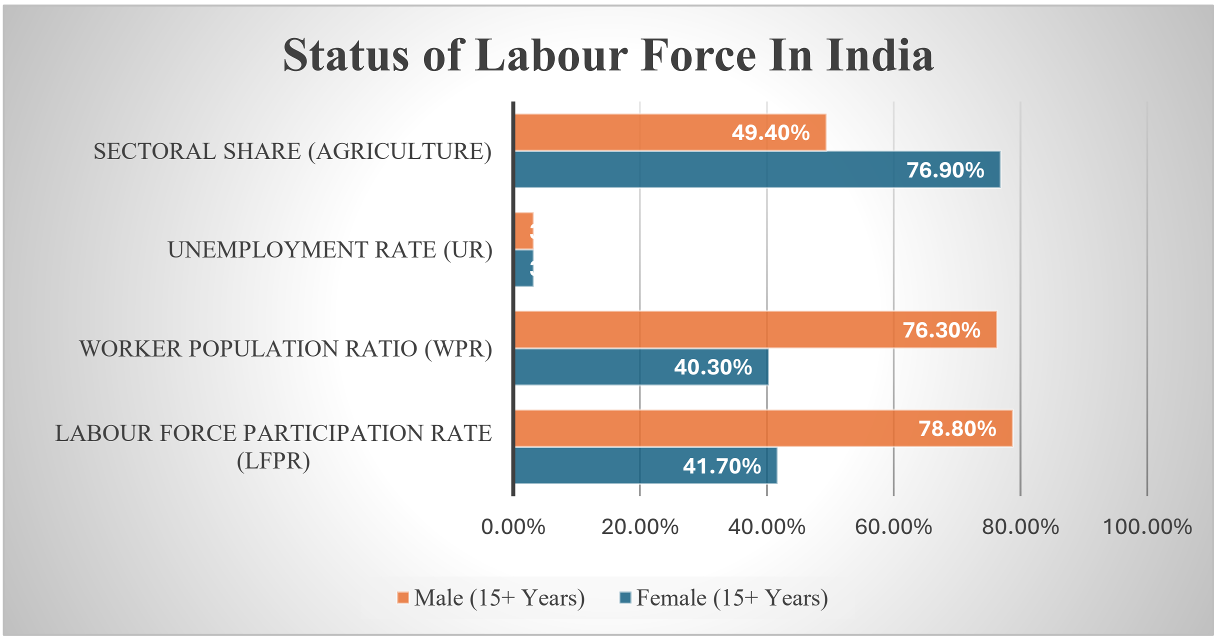
Figure 1: Female Labour Force Participation Trends in India (2017-18 vs 2023-24)



Source: Ministry of Statistics and Programme Implementation (MoSPI), Periodic Labour Force Survey (PLFS) Annual Report 2023-24.

The above figure shows Female Labour Force Participation Rate (FLPR) trends from 2017-18 to 2023-24, with overall female FLPR rising notably from 23.3% to 41.7%, while rural female rates grew modestly from 24.6% to 47.6% and urban rates stagnated at 20.4% - 28%. This upward trajectory, especially in overall participation, concludes gradual progress in women's economic engagement, driven by government schemes like MGNREGA rural employment, self-help group expansions, and post-pandemic recovery pushing necessity-based work. However, stagnant urban rates signal persistent barriers including urban social norms restricting salaried roles for educated women, lack of safe transport/childcare, and skill mismatches necessitating targeted urban policies alongside rural gains to sustain momentum toward SDG 5 economic empowerment targets.

Figure 2: Gender-Disaggregated LFPR and WPR Trends in India (PLFS 2023-24)



Source: Periodic Labour Force Survey (PLFS) Annual Report 2023-24.

The PLFS 2023-24 data shows women's LFPR climbing to 41.7% (up from 23.3% in 2017-18), yet it lags far behind men's 78.8%, with wide regional differences, peaking at 71.8% in Meghalaya and dropping to 17.1% in Lakshadweep. The Worker Population Ratio mirrors this at 40.3% for women versus 76.3% for men, while unemployment holds steady at 3.2% for both. Rural women heavily dominate agriculture (76.9% share) over men (49.4%), and urban women outpace men in manufacturing (24.1% vs. 19.3%). However, urban-rural gaps persist (46.5% vs. 26.0% WPR), and a large part of the self-employment surge reflects unpaid family labour rather than quality jobs, trapping women in low-wage agriculture, widening the gender pay gap, and underscoring barriers like poor training and sectoral limits.

The Paradox of Self-Employment and Unpaid Labor

While the rise in LFPR is encouraging, deeper analysis indicates that much of this participation is distress-driven. In states like Uttar Pradesh, 86.6% of employed women are classified as "self-employed," yet 53.1% of these are actually unpaid family helpers working in family-run businesses or farms. These women are "working" but do not receive a direct wage, which severely limits their individual economic agency.

Contradicting Figures: Udyam vs. UAP

The Ministry of MSME reports that over 2.86 crore women-led MSMEs were registered as of late 2024. However, there is a stark divide between the formal and informal sectors:

- Formal Sector (Udyam Portal): Women-owned enterprises constitute only 20.5% of registered units.
- Informal "Nano-Sector" (UAP): Women-owned Informal Micro Enterprises (IMEs) account for a staggering 70.49% of registrations.

This confirms that the vast majority of women micro-entrepreneurs operate at the "bottom of the pyramid" with minimal resources and turnovers between ₹10 lakh and ₹1 crore.

Non-Economic Dimensions
Data from NFHS-5 provides a benchmark for social empowerment. Although the financial inclusion has improved, it doesn't always lead to equal rights.

Table 4: Key Women's Empowerment Indicators from NFHS-5

Empowerment Indicator (NFHS-5)	National Average (%)
Participation in Household Decisions	88.7
Operating a Bank Account (User)	78.6
Mobile Phone Ownership	54.0
Ownership of Land (Alone or Jointly)	31.7

Source: National Family Health Survey (NFHS-5) 2019-21.

NFHS-5 data reveals notable progress in women's empowerment across India, yet persistent gaps highlight areas needing targeted intervention. While a strong 88.7% of women participate in household decisions nationally, reflecting gains in decision-making autonomy, financial inclusion lags at 78.6% for those operating their own bank accounts. Mobile phone ownership stands at 54.0%, indicating moderate digital access that enables connectivity and economic opportunities. However, land ownership, alone or jointly, remains lowest at 31.7%, underscoring deep-rooted barriers to controlling assets and economic security. Overall, these figures show advancing agency in social and financial spheres but emphasize the urgency of policies addressing property rights to achieve holistic empowerment.
The disconnect is evident that while nearly 79% of women have bank accounts, only 32% own land. Asset ownership remains the single biggest barrier to accessing institutional credit, as many banks still require primary security for larger loans.

Structural Barriers
Micro-entrepreneurship is constrained by the "double burden" of paid and unpaid work.

- Time Poverty: Globally, women spend 2.5 times more hours on unpaid care work than men. The value of this work in India is estimated at 39% of the GDP. The Time Use Survey 2024 shows that women spend 305 minutes per day on domestic tasks compared to 88 minutes for men.
- Digital Divide: While the gender gap in mobile ownership is narrowing (now 7%), South Asian women remain 31% less likely to use mobile internet than men. Digital literacy is a greater barrier than hardware access; studies show that giving women smartphones without training does not lead to long-term business use.
- Various government schemes have helped women financially, for instance Mudra Yojana which has 68% of beneficiaries as women and the PM SVANidhi which helped in the financial inclusion of women. The secondary data shows that the growth of women micro-entrepreneurs is stagnant. This is because a majority part of female labour work force is in informal nano-enterprises and unpaid jobs. This highlights the poor quality of employment of women in India.
- For gender equality, the progress needs to be towards sustainable employment rather than mere income levels. Kabeer's framework shows that accessing resources like bank accounts only empowers when combined with control over results, such as asset ownership and mobility.
- Northern states show moderate household decision-making power but restricted mobility, pointing to patriarchal norms as the main obstacle to entrepreneurial progress.

Conclusion and Policy Recommendations

Women micro-entrepreneurs form a major part of the informal economy of India. They fuel women's work participation rise to 41.7%, yet confront major barriers: unpaid family work (over half in areas like UP), minimal land ownership (32%), and scant bank loans (5% for tiniest firms). These gaps block genuine SDG 5 advancement.

This study looked closely at numbers from trusted sources like government surveys and reports. It shows clear wins, such as more women opening bank accounts (78.6%) and joining household decisions (88.7%). Yet deeper problems remain. Many women run "nano-enterprises", very small home-based setups like tailoring or food stalls, that stay informal and struggle to grow. In Uttar Pradesh, eastern areas do better on SDG 5 scores thanks to self-help groups, but western and Bundelkhand regions lag due to weaker support. The key issue? Rising work numbers hide "distress jobs" where women help family farms without pay, plus heavy daily chores (305 minutes unpaid care work). Micro-entrepreneurship by itself is not sufficient to empower women or achieve gender equality. One must overcome the issue of time poverty, asset inequality, and skill gaps.

Some of the most important challenges that have been identified are mentioned below:

- Unpaid Jobs: It has been observed that women spend three to four times as many hours on housework as men. This can cause fatigue and deplete the energy needed for their business.
- Financial Barriers: Banks require land or property as collateral, which women do not have, causing them to depend on expensive loans from moneylenders.
- Digital Divide: They possess phones and accounts but are reluctant to use UPI or apps because of a lack of simple training.
- Social Barriers: Social constraints limit mobility and decision-making, causing businesses to be restricted to home-based, low-profit ventures.
- Data Barriers: Government data tracks businesses but does not account for women's actual control over finances or feelings of empowerment.

These challenges allow micro-entrepreneurship to increase earnings slightly but do not change the dynamics of power in the household or community.

Governments and institutions can tap into women's potential by adopting a comprehensive and practical approach.

- Launch "Nano-Enterprise" Category: Recognize sub-micro businesses (under ₹1 crore turnover) with special MSME status. Enable no-document registration via Udyam Assist Portal and collateral-free loans up to ₹5 lakh, using mobile payment histories for credit assessment. This could formalize 70% of informal women-led ventures swiftly.
- Reduce Unpaid Care Burden: Roll out affordable childcare centers, household piped water, and solar cookstoves to cut women's daily chore time from 305 to under 200 minutes within three years. Collaborate with panchayats to employ local women as caregivers, generating additional jobs.
- Deliver Simple Digital Training: Beyond distributing phones, teach practical skills like UPI transactions, ONDC/WhatsApp sales, and basic GST compliance to bridge the digital gap effectively. Add women mentors who visit homes to build confidence and fix fears like apps are unsafe.
- Boost Land and Home Ownership: Give 100% stamp duty breaks and extra subsidies (like 40% under PMEGP) for putting land or houses in women's names. Run village awareness drives with banks to help families register jointly. This unlocks billions in loan security, letting businesses buy machines or stock.

- Fix Loan Schemes with Better Data: Update Mudra, Stand-Up India, and PM SVANidhi to track not just loan amounts but women's control over earnings. Use PLFS and NFHS data yearly to spot weak states like UP and send extra funds there.
- Track Real Progress: Improve UP's District Indicator Framework (DIF) and national SDG tools. Run yearly village surveys on freedom and family respect. Share live dashboards online so local leaders see and fix gaps.
- Change Mindsets Long-Term: Work with schools, TV, and SHGs to teach boys and men about sharing chores. Rewarding villages that reduce or eliminate violence on women such as cutting wife-beating reports.

Women micro-entrepreneurs are everyday heroes from selling veggies, stitching clothes to running tea stalls, that keep families and villages going. When women thrive as micro-entrepreneurs, the benefits cascade through the entire socio-economic fabric. India's numbers show promise: more work, accounts, and decisions shared. However, gender equality will remain elusive unless policies shift from a focus on quantitative inclusion to qualitative empowerment that dismantles the structural barriers of patriarchal norms and unpaid work.

By acting on these fixes, India can turn survival businesses into thriving ones. States like UP can lead by mixing loans with water pumps and phone classes. This will ultimately lead to a faster growth and SDG 5 reached by 2030. It's smart economics that lifts everyone. Policymakers must shift from quick numbers to deep change, starting now.

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