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Research Initiative

Architects of Growth: Women and India's Rise

2026





Bharat Ratna Sir M. Visvesvaraya

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FIFTY FIVE YEARS AND COUNTING

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Foreword

It gives me immense pleasure to present “Architects of Growth: Women and India's Rise,” a research initiative by MVIRDC World Trade Center Mumbai this report highlights one of the most important transformations shaping India's development journey, the growing participation of women in economic growth, leadership, and nation-building.

India today stands at a decisive stage in its development trajectory. As the country progresses toward the vision of *Viksit Bharat 2047*, growth is increasingly defined not only by economic expansion but by inclusiveness and human capital empowerment.

Over the past decade, The Female Labour Force Participation Rate (FLFPR) has nearly doubled, while the Worker Population Ratio for women has risen from nearly 22 percent to over 40 percent. These improvements reflect a structural shift in access to opportunities, changing social attitudes, and expanding livelihood avenues across rural and urban India.

Education has been central to this transformation. India's female literacy rate has increased from 39.3 percent in 1991 to nearly 71 percent in 2021, supported by sustained investments in educational inclusion and growing awareness of the importance of girls' education. Women today account for nearly half of higher education enrolments, increasingly entering professional and knowledge-driven sectors such as healthcare, finance, management, and technology. Education not only enhances employability but strengthens confidence, financial independence, and leadership capacity.

The rise of women in leadership roles across business, governance, academia, and entrepreneurship further reflects this evolving landscape. Women entrepreneurs are also reshaping India's economic ecosystem. Within the MSME sector, widely regarded as the backbone of the economy, women-owned enterprises now constitute over one-fifth of formally registered MSMEs, generating nearly 19 percent of employment within the registered sector. At the grassroots level, women account for over 70 percent of informal micro-enterprises, highlighting their dominant role in local economic activity and livelihood creation.

Despite significant progress, challenges remain. Issues related to workplace accessibility, skill alignment, safety, and caregiving responsibilities continue to influence participation levels. Addressing these challenges requires coordinated efforts among government, industry, and civil society to create enabling environments through inclusive workplace policies, flexible employment models, and continued investment in skills and infrastructure.

As India advances toward becoming a leading global economy, the vision of *Viksit Bharat 2047* calls for growth that is inclusive, resilient, and equitable. Women's participation lies at the center of this vision because inclusive economies are stronger, more innovative, and more sustainable.

As we look toward the future, empowering women will remain central to India's journey toward prosperity. When women advance, the nation advances with them.

Dr. Vijay Kalantri

Chairman
MVIRDC World Trade Center Mumbai



Preface

Architects of Growth: Women and India's Rise, a research report by MVIRDC World Trade Center Mumbai, highlights the expanding role of women as key contributors to India's economic growth, innovation, and national development. As India advances toward the national vision of Viksit Bharat 2047, strengthening women's participation in economic activity is not only a matter of social progress but a critical driver of sustainable growth, innovation, and productivity.



India's demographic advantage is among the most significant in the world, with women representing nearly 48 percent of the country's population. Over the past decade, policy reforms, expanding educational access, digital connectivity, and entrepreneurial support have collectively begun to unlock this immense potential. According to the Periodic Labour Force Survey (PLFS), women's participation in the workforce has witnessed a notable increase, reflecting gradual structural improvements in access to employment and income-generating opportunities.

Entrepreneurship has emerged as one of the most dynamic areas of progress. Today, India is home to over 15 million women-owned enterprises, accounting over 25 percent of all businesses in the country. Many of these enterprises operate within the MSME ecosystem, which contributes around 30 percent to India's GDP and nearly 45 percent of exports, highlighting the significant economic multiplier effect of women-led businesses. In addition, women-led Self-Help Groups under initiatives such as the Deendayal Antyodaya Yojana-National Rural Livelihoods Mission (DAY-NRLM) have mobilized more than 90 million women across rural India, strengthening financial inclusion, local entrepreneurship, and community-based economic resilience.

Another transformative factor has been the rapid expansion of India's digital public infrastructure. Platforms such as UPI, Jan Dhan accounts, and digital identity systems have enabled millions of women to access banking, credit, and digital marketplaces for the first time. This digital integration is creating new opportunities in sectors such as e-commerce, services, and home-based enterprises, particularly for women in semi-urban and rural regions.

However, sustaining this progress requires continuous investment in skill development, safe workplaces, childcare support, and leadership opportunities that allow women to participate fully across sectors of the economy.

This report aims to highlight emerging trends, policy progress, and opportunities that can further strengthen women's economic participation. As India moves toward becoming a USD 30 trillion economy, empowering women will remain one of the most decisive factors in building an inclusive, resilient, and globally competitive nation.

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Architects of Growth: Women and India's Rise

By MVIRDC World Trade Center Mumbai

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Women's Economic Participation and Viksit Bharat 2047

India today stands at a decisive stage of economic evolution where demographic strength must translate into productive participation. The country's long-term development trajectory increasingly depends not only on economic expansion but on the inclusiveness of that expansion. Among all segments of society, women represent one of the most powerful yet historically underrepresented forces for sustainable growth, innovation capacity, and long-term economic resilience. As India advances toward the national vision of Viksit Bharat 2047, women's economic participation is no longer viewed merely as a social or developmental aspiration; it has emerged as a strategic economic imperative central to national progress.

Women contribute extensively across agriculture, manufacturing, services, entrepreneurship, and the rapidly expanding digital economy. Their role is deeply embedded within production systems, household enterprises, supply chains, and emerging knowledge sectors. Yet a significant share of this contribution remains undervalued or statistically invisible because it occurs within informal, unpaid, or hybrid forms of work. Activities such as family farming, livestock care, home-based production, community services, and micro-enterprise operations often fall outside traditional measurement frameworks, creating a gap between actual economic contribution and recorded economic participation.

Over the past decade, however, measurable indicators have begun reflecting a clear shift. Women's labour force participation has risen significantly, indicating that structural changes in education, financial inclusion, digital access, and livelihood opportunities are gradually translating into greater economic engagement. National labour survey data shows that women's participation rates have nearly doubled within a few years, while the share of women actively engaged in work has increased correspondingly. This rise signals not only improved access to work but also changing aspirations and expanding opportunity structures.

The transformation is visible across both rural and urban India, though the pathways differ. In rural regions, participation growth is closely linked to self-employment, collective enterprises, and diversified livelihoods supported by community networks and local production systems. Women increasingly participate in agro-

Women-owned enterprises constitute over one-fifth of formally registered MSMEs, generating nearly 19% of total employment within the registered MSME sector.

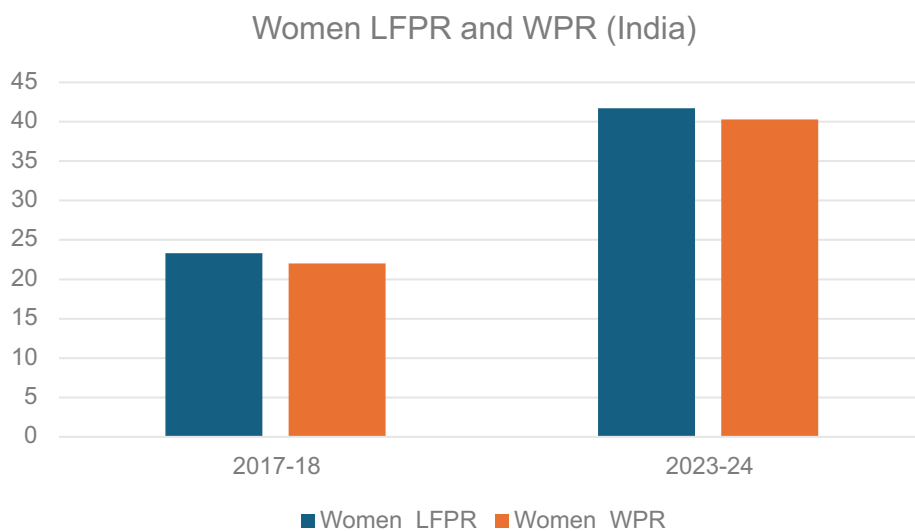
processing, dairy activities, handicrafts, and small trading enterprises, often supported by self-help group ecosystems and microfinance access. These activities strengthen local economies by diversifying income sources and improving household resilience against economic shocks.

Urban participation reflects a different transition. Rising education levels and expanding service industries have opened pathways into professional employment, entrepreneurship, and digital work. Women are entering sectors such as healthcare, finance, retail, consulting, and creative industries in increasing numbers. Simultaneously, digital platforms have enabled flexible participation models, allowing women to balance professional engagement with caregiving responsibilities while maintaining income continuity.

A defining enabler behind this transformation has been financial inclusion. The rapid expansion of bank account ownership among women has fundamentally altered access to economic systems. Tens of crores of women now operate within formal banking networks, allowing direct receipt of payments, savings accumulation, insurance participation, and credit linkage. Financial independence strengthens decision-making power within households and enables women to participate more confidently in economic activity.

Credit access has further accelerated enterprise creation. Micro-credit programs supporting small businesses have witnessed a majority of beneficiaries being women, reflecting both demand for entrepreneurship and institutional efforts to reduce entry barriers. Women-led enterprises now operate across retail trade, services, food processing, local manufacturing, and digital

Rise in Women's Labour Participation (India, 2017-2024)



Line graph showing LFPR and Worker Population Ratio increasing significantly across the period.

Source: Compiled by MVIRDC World Trade Center Mumbai

commerce. These enterprises often begin at micro scale but generate significant cumulative economic impact through employment creation and localized value addition.

The importance of women's participation extends beyond employment statistics. Inclusive participation strengthens consumption demand, stabilizes household incomes, and improves social outcomes such as education and healthcare investment. When women gain economic agency, spending patterns tend to prioritize long-term welfare, creating multiplier effects that extend across generations. This connection between women's income and human capital formation makes gender inclusion a foundational component of sustainable development rather than a peripheral objective.

Infrastructure and digital governance reforms have also reduced barriers that historically limited participation. Improved connectivity, digital identity systems, mobile payments, and online service delivery have lowered transaction costs and minimized dependence on intermediaries. Women can now access markets, government services, and financial systems directly through digital platforms, enabling participation regardless of geographic location.

The broader implication is that India's growth model is gradually shifting from labour expansion alone toward

participation expansion, bringing previously excluded or underrepresented populations into productive economic roles. Women's inclusion represents the largest available opportunity within this transformation. Expanding participation through policy alignment, institutional support, and private sector engagement has the potential to enhance productivity, strengthen domestic demand, and reinforce economic stability.

Women and India's GDP Growth Dividend

Women's economic participation carries implications far beyond workforce numbers; it represents one of the most significant untapped sources of national productivity growth. Women contribute substantially to India's economic output through both formal employment and informal activity. In agriculture, they remain central

Strengthening women-led MSMEs remains central to achieving inclusive and sustainable economic growth aligned with India's long-term development vision.

participants in cultivation and allied value chains. In manufacturing, their presence is prominent in textiles, food processing, and assembly-based industries. In services, women increasingly occupy professional, managerial, and entrepreneurial roles, while digital commerce has opened new income pathways independent of traditional employment structures.

Economic modelling consistently suggests that increasing female participation can substantially expand national GDP. Estimates indicate that improving gender parity in economic participation could add hundreds of billions of dollars to India's economic output over time. The mechanism behind this growth dividend is straightforward: a larger and more diverse workforce increases productivity, enhances innovation, and expands consumption simultaneously.

The productivity effect emerges when women transition into higher-value sectors. Participation in renewable energy, healthcare innovation, advanced manufacturing, and digital services strengthens economic competitiveness because these sectors generate higher output per worker. When women gain access to skills training, market linkages, and financing, enterprise productivity improves, allowing small businesses to scale into formal economic contributors.

The consumption effect is equally important. Women's earnings contribute directly to household spending, strengthening domestic demand one of India's primary growth engines. Increased income stability encourages savings, investment in education, and improved healthcare access, reinforcing long-term economic resilience. These outcomes create a virtuous cycle in

which economic participation strengthens human development, which in turn supports productivity growth.

Enterprise development provides another channel through which women influence GDP expansion. Women-owned micro, small, and medium enterprises have grown steadily within formal registration systems. Their share within new enterprise registrations has increased considerably in recent years, demonstrating rising entrepreneurial participation. Many of these enterprises operate in labour-intensive sectors, making them important job creators at the local level.

Public procurement systems and credit guarantees have strengthened enterprise sustainability by providing predictable demand and reducing financial risk. Preferential procurement allocations for women-owned enterprises help integrate them into supply chains, enabling stable revenue streams that support expansion and hiring.

Enhanced credit guarantee coverage further encourages lending institutions to finance women entrepreneurs who may lack traditional collateral assets.

Digital transformation amplifies this growth dividend. Digital payment ecosystems allow small businesses to maintain transaction histories, improving creditworthiness and enabling access to formal finance. Online marketplaces expand market reach beyond geographic constraints, allowing women entrepreneurs to sell products nationally and internationally. Technology adoption therefore converts micro-enterprise participation into scalable economic activity.

Contribution of Women-Owned MSMEs

Category	Total	Employment	Investment (₹ Crore)	Turnover (₹ Crore)
Women MSMEs	4,667,278	28,407,069	126,845.12	1,714,992.98
Total MSMEs	22,819,417	151,668,034	1,137,237	16,784,358
Share of Women-Owned MSMEs	20.5%	18.73%	11.15%	10.22%

Source: Compiled by MVIRDC World Trade Center Mumbai

Contribution of Women-Owned Informal Micro Enterprises

Category	Total Enterprises	Employment
Women IMEs	9,108,058	11,023,945
Total IMEs	12,920,177	15,561,967
Share of Women-Owned IMEs	70.49%	70.84%

Source: Compiled by MVIRDC World Trade Center Mumbai

The expansion of women-owned enterprises is reflected in rising formal registration shares across recent financial years, illustrating a structural shift toward visibility within the formal economy.

Women entrepreneurs are emerging as an increasingly important pillar of India's MSME ecosystem, contributing significantly to enterprise creation, employment generation, and inclusive economic growth. According to data released by the Ministry of Micro, Small and Medium Enterprises through the Udyam Registration Portal, women-owned enterprises have steadily expanded their presence within the formal economy since the portal's inception in July 2020.

The data provides a comparative assessment of women-owned MSMEs against total registered enterprises across key economic indicators such as enterprise numbers, employment, investment, and turnover, offering insight into both participation levels and economic contribution.

The statistics indicate that women-owned MSMEs account for a substantial share of registered enterprises, demonstrating growing entrepreneurial participation supported by policy interventions, easier digital registration, and targeted government schemes. These enterprises play an important role in employment generation, contributing millions of jobs across sectors including manufacturing, services, trade, handicrafts, and micro-enterprise activities.

However, while participation and employment shares are relatively strong, the proportion of investment and turnover remains comparatively lower, suggesting that many women-led enterprises continue to operate at smaller scales and may benefit from improved access to finance, technology adoption, and market expansion opportunities.

The data shows that women-owned enterprises constitute over one-fifth of formally registered MSMEs, generating nearly 19% of total employment within the registered MSME sector. Their contribution to investment and turnover, though lower than enterprise share, reflects significant participation in micro and small-scale economic activities and highlights the potential for future scaling and productivity enhancement.

Alongside formal MSMEs, women entrepreneurs demonstrate an even stronger presence within the informal micro-enterprise ecosystem registered under the Udyam Assist Platform. The platform, launched to bring informal enterprises into the formal economic framework, reveals the extensive role played by women in grassroots entrepreneurship, particularly in rural and household-based enterprises.

Beyond measurable economic output, women's participation generates broader institutional and societal benefits. Greater inclusion improves organizational diversity, enhances decision-making quality, and strengthens innovation ecosystems. Economies with higher gender parity consistently demonstrate stronger adaptability during periods of economic uncertainty because diversified participation reduces dependence on single income sources or sectors.

The long-term significance lies in intergenerational impact. Women's economic empowerment influences educational attainment, health outcomes, and social mobility for future generations. Children in economically empowered households benefit from improved learning environments and access to resources, strengthening the country's future workforce quality. As a result, women's participation contributes not only to present GDP growth but also to future productivity potential.

India's development trajectory therefore places women at the center of inclusive growth frameworks. The integration of women into economic systems represents a convergence of demographic opportunity, technological transformation, and policy evolution. As participation expands across sectors, the country moves closer to converting demographic advantage into sustained economic strength.

India's economic future increasingly depends on how effectively participation expands alongside growth. Women's inclusion is no longer an auxiliary dimension of development policy but a central pillar shaping productivity, competitiveness, and social stability. As India progresses toward its long-term national vision, strengthening women's economic participation represents not only equity but economic strategy—linking human potential with national prosperity.

The figures indicate that women account for more than 70% of informal micro-enterprise registrations and employment under the Udyam Assist Platform, underscoring their dominant role in grassroots economic activity. This strong informal participation highlights the importance of continued formalization efforts to improve access to credit, markets, training, and institutional support.

To strengthen women entrepreneurship, the Ministry of MSME has introduced several targeted initiatives, including mandatory procurement provisions for women-owned enterprises, concessional credit guarantee support, higher subsidies under the Prime Minister's Employment Generation Programme, specialized skill development programmes, and market access assistance through trade fairs and delegations. Initiatives such as SAMARTH and the Zero Defect Zero Effect (ZED) Certification Scheme further promote capacity building, competitiveness, and sustainable manufacturing practices among women-led enterprises.

Overall, the data reflects a steady transition toward greater inclusion of women in India's entrepreneurial landscape. While participation levels are expanding rapidly, particularly in informal and micro enterprises, continued policy focus on scaling, innovation, and financial inclusion will be essential to enhance investment capacity and turnover contribution. Strengthening women-led MSMEs remains central to achieving inclusive and sustainable economic growth aligned with India's long-term development vision.

Key Economic Indicators Supporting Women's Participation

Indicator	Trend
Women LFPR	Nearly doubled since 2017-18
Women WPR	Significant rise reflecting active employment
Female bank account ownership	Majority inclusion achieved
Women Mudra beneficiaries	Over two-thirds share
Women-owned MSME registrations	Rising participation trend
Estimated GDP impact	Hundreds of billions potential addition

Female Labour Force Participation in India: Progress, Challenges and the Path Forward

Female labour force participation (FLFP) in India has undergone a gradual yet meaningful transformation over the past decade, reflecting broader socioeconomic changes, policy interventions, technological expansion, and evolving societal attitudes toward women's economic roles.

Historically, India recorded relatively low participation rates compared to global averages, shaped by structural factors such as gendered division of labour, limited access to formal employment opportunities, and social expectations surrounding caregiving responsibilities. However, recent data indicates steady improvement and a visible shift in labour market dynamics.

According to the Periodic Labour Force Survey (PLFS) conducted by the Ministry of Statistics and Programme Implementation, the overall Female Labour Force Participation Rate (FLFPR) increased significantly from 23.3 percent in 2017-18 to approximately 41.7 percent in 2023-24, marking one of the most substantial improvements in India's labour market in recent decades.

This rise reflects a combination of economic necessity, improved educational attainment, expanding self-employment opportunities, digital inclusion, and targeted government initiatives aimed at strengthening women's economic empowerment.

India's demographic structure further amplifies the importance of female workforce participation. With one of the world's largest working-age populations, increasing women's participation represents a critical pathway for sustaining long-term economic growth. Expanding FLFP not only strengthens productivity but also enhances household resilience, consumption patterns, and social development outcomes. The evolving landscape therefore highlights both expanding opportunities and persistent structural challenges influencing women's participation in India's workforce.

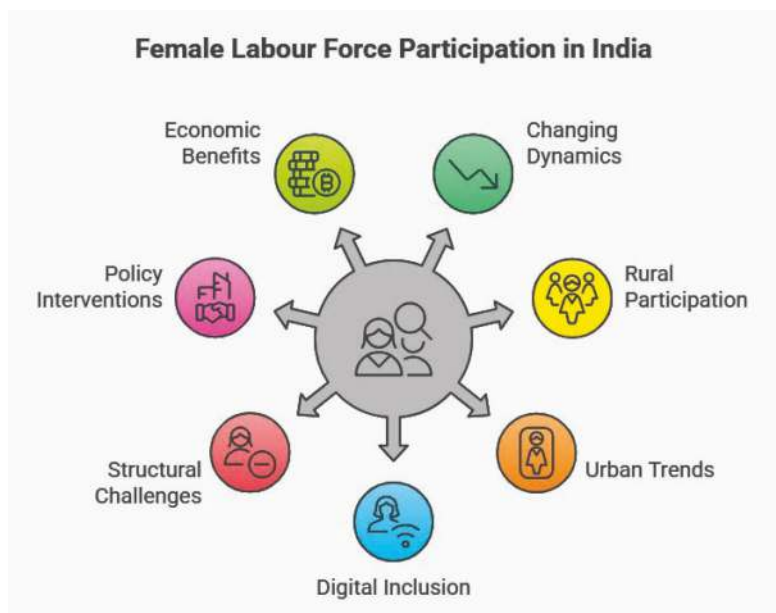
Changing Dynamics of Female Workforce Participation

India's labour market has traditionally been

shaped by social norms that limited women's economic participation outside domestic responsibilities. For decades, female employment was concentrated primarily in unpaid family work or subsistence agriculture, often remaining statistically invisible. However, economic modernization, urbanization, and rising awareness of gender equality have gradually reshaped these dynamics.

Women today participate across a broader spectrum of economic activities, including agriculture, manufacturing, services, entrepreneurship, and technology-driven sectors. Structural transformation of the Indian economy—from agriculture toward services and knowledge-based industries—has created new employment opportunities that are relatively more inclusive for women. The expansion of education, healthcare, retail, financial services, and digital industries has widened pathways for workforce entry.

Recent quarterly PLFS estimates indicate continued momentum, with female labour participation reaching nearly 34.9 percent during October-December 2025, demonstrating sustained engagement in economic activity. Importantly, participation is no longer limited to traditional occupations; women increasingly occupy roles in managerial positions, professional services, digital platforms, and entrepreneurial ventures. This shift



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reflects both changing aspirations and gradual transformation in employer attitudes toward gender diversity.

Additionally, rising household aspirations and economic pressures have encouraged dual-income family models, particularly in urban and semi-urban regions. As consumption patterns evolve and education costs increase, women's employment is increasingly viewed as an economic necessity as well as a pathway to personal independence.

Rural Female Labour Participation: The Primary Driver of Growth

The most significant increase in female labour force participation has been observed in rural India, which has emerged as the primary contributor to national improvement in participation rates. PLFS data shows rural female LFPR increasing sharply from 24.6 percent in 2017–18 to about 47.6 percent in 2023–24, demonstrating expanding economic engagement among rural women.

Several structural factors underpin this rise. Rural economic diversification has expanded beyond traditional farming into allied activities such as dairy production, fisheries, food processing, handicrafts, and rural services. Women increasingly participate in self-employment and family enterprises supported by microfinance networks and Self-Help Groups (SHGs) under the National Rural Livelihoods Mission.

SHGs have transformed rural economic participation by

enabling collective savings, access to credit, entrepreneurial training, and market linkages. Participation in SHGs enhances financial literacy and social confidence, allowing women to transition from unpaid labour to income-generating activities. Rural participation has also been supported by improved rural infrastructure, digital connectivity, and welfare transfers that stabilize household incomes and reduce economic vulnerability.

Importantly, women's participation in rural labour markets contributes not only to income generation but also to community-level economic resilience. Increased female earnings improve nutrition, education outcomes, and healthcare investment within households, creating long-term developmental benefits.

Urban Female Labour Participation: Gradual but Uneven Progress

Urban India presents a distinct participation trajectory characterized by gradual yet uneven growth. Urban female LFPR increased from approximately 23.8 percent in 2021–22 to nearly 28 percent in 2023–24, with participation levels estimated around 25–26 percent in 2025. While progress is visible, urban participation continues to lag behind rural levels.

Urban employment opportunities are concentrated in professional and service-oriented sectors such as information technology, banking, education, healthcare, consulting, media, and creative industries. Corporate diversity initiatives, evolving workplace policies, and expanding startup ecosystems have encouraged greater inclusion of women in professional roles.

However, structural constraints remain significant. Urban women often face safety concerns during commuting, high childcare costs, and rigid workplace structures that discourage continuous employment after maternity or caregiving breaks. Informal employment among lower-income urban women also remains prevalent, limiting access to social protection benefits.

Despite these challenges, rising education levels and digital employment opportunities are gradually reshaping urban participation patterns, particularly among younger women entering the workforce.

Digital Access and Technological Inclusion

Digital transformation has emerged as one of the most powerful enablers of women's economic participation in India. Increased smartphone penetration, affordable

internet access, and government-led digital governance initiatives have expanded access to financial services, education, and entrepreneurial opportunities.

Digital payment systems, mobile banking, and direct benefit transfers have strengthened financial independence by allowing women direct control over bank accounts and welfare payments. Online learning platforms enable women to acquire new skills and certifications remotely, reducing geographic barriers to professional development.

Remote work opportunities in customer support, content development, accounting, online tutoring, and digital marketing have expanded participation among women balancing caregiving responsibilities. Hybrid work models adopted after the pandemic have further normalized flexible employment structures, enabling greater retention of women employees.

The gig economy also provides transitional employment opportunities, allowing women to re-enter the workforce after career breaks. While income stability and social



Digital marketplaces and social commerce platforms have enabled home-based entrepreneurs to scale businesses nationally and internationally. Women operating small enterprises increasingly leverage e-commerce platforms, digital marketing tools, and online payment systems to access wider markets. This digital integration has reduced traditional entry barriers related to mobility, capital, and infrastructure.

The Rise of Flexible and Gig Economy Work

The emergence of gig and platform-based employment has significantly reshaped labour participation patterns by introducing flexibility into work arrangements. Freelancing, remote work, and digital entrepreneurship allow women to participate in economic activities without traditional workplace constraints.

protection remain concerns, flexible work arrangements represent an important pathway for increasing urban female participation.

Persistent Structural Challenges

Despite encouraging progress, several structural barriers continue to limit female labour force participation. Women continue to bear a disproportionate share of unpaid care and household responsibilities, reducing available time for paid employment.

Career interruptions related to maternity and caregiving often result in long-term employment gaps and slower career progression.

Workplace safety, transportation accessibility, and gender-sensitive infrastructure remain important determinants of employment decisions. Informality continues to dominate female employment, particularly in low-skilled sectors where wages are lower and social security coverage remains limited.

Skill mismatch represents another emerging challenge. Rapid technological change requires advanced digital and technical competencies, yet many women lack access to specialized training aligned with emerging industries such as artificial intelligence, advanced manufacturing, and green technologies.

Policy Interventions and Institutional Support

Policy interventions play a central role in sustaining improvements in female labour participation. Government initiatives focused on skill development, entrepreneurship promotion, financial inclusion, and education have created enabling conditions for workforce entry.

Investment in childcare infrastructure remains critical to improving workforce retention. Public-private partnerships in childcare services, flexible work arrangements, equal pay frameworks, and career re-entry programs can significantly enhance employment continuity for women. Urban planning policies promoting safe public spaces and reliable transportation systems further contribute to enabling participation. Institutional collaboration between government, industry, and civil society organizations is essential to translate policy intent into measurable outcomes.

Economic and Organizational Benefits of Higher Participation

Increasing female labour force participation generates substantial macroeconomic and organizational benefits. At the national level, higher participation expands the labour pool, raises productivity, and contributes to sustained GDP growth. Studies indicate that gender-inclusive labour markets improve innovation capacity and economic resilience.

Women's earnings contribute significantly to household welfare, improving investments in education, healthcare, and nutrition. These intergenerational benefits strengthen human capital development and long-term economic stability.

PLFS data shows rural female LFPR increasing sharply from 24.6 percent in 2017-18 to about 47.6 percent in 2023-24, demonstrating expanding economic engagement among rural women.

Organizations also benefit from gender-diverse workplaces through improved governance standards, stronger decision-making processes, enhanced creativity, and improved corporate reputation. Inclusive workplaces increasingly demonstrate higher employee retention and long-term sustainability performance.

Conclusion: Toward Inclusive and Sustainable Growth

India stands at a critical juncture where demographic advantages and economic transformation present a unique opportunity to significantly expand women's workforce participation. Rural participation has emerged as the principal driver of improvement, while urban participation continues to expand gradually through education, services growth, and digital employment opportunities.

With overall female labour force participation rising from 23.3 percent in 2017-18 to over 41 percent in 2023-24, India is witnessing a structural shift toward greater gender inclusion in economic activity. Strengthening women's participation is therefore not merely a social objective but an economic imperative essential for achieving inclusive and sustainable growth.

By investing in education, digital inclusion, workplace safety, skill development, and supportive institutional frameworks, India can unlock the full productive potential of its female population and advance toward its long-term development vision of inclusive and resilient economic progress.

Women-Led Enterprises and MSMEs

Women entrepreneurs are increasingly reshaping India's Micro, Small and Medium Enterprises (MSME) ecosystem, emerging as important contributors to employment generation, local economic resilience, and inclusive growth. Over the past decade, the participation of women in entrepreneurship has expanded beyond traditional household enterprises into organized business activities, reflecting broader socio-economic transformation and improved access to education, finance, and technology. Women-led enterprises today play a critical role in strengthening grassroots economies while simultaneously contributing to innovation and diversification within India's entrepreneurial landscape.

The MSME sector, often regarded as the backbone of the Indian economy, provides a flexible entry point for women seeking economic independence and professional engagement. Unlike large-scale industries, MSMEs allow entrepreneurs to start businesses with relatively lower capital investment, enabling women to establish enterprises aligned with local skills, cultural strengths, and regional market opportunities. Women entrepreneurs frequently operate businesses embedded within community ecosystems, which not only generate income but also create localized employment opportunities, particularly for other women.

A significant driver of this transformation has been the expansion of digital platforms and financial inclusion initiatives. The rapid growth of digital infrastructure, supported by affordable internet access and widespread smartphone adoption, has reduced traditional barriers to entrepreneurship. Women are increasingly utilizing digital tools for marketing, payments, inventory management, and customer engagement. Online marketplaces and social commerce platforms have allowed entrepreneurs to reach national and international customers without the need for physical retail infrastructure, thereby lowering operational costs and expanding market access.

Financial inclusion programs have further enabled women to participate more actively in enterprise creation. Access to bank accounts, digital payment systems, and micro-credit facilities has strengthened women's ability to manage finances independently. Formal banking inclusion has also improved credit histories, allowing women entrepreneurs to access

institutional finance rather than relying solely on informal borrowing networks. These developments have significantly improved business sustainability and scalability for women-led MSMEs.

Women-led enterprises today operate across a wide spectrum of sectors, reflecting both traditional strengths and emerging economic opportunities. In food processing and agri-based industries, women entrepreneurs are adding value to agricultural produce through packaging, processing, and branding initiatives. Handicrafts and artisanal industries continue to benefit from women's participation, preserving cultural heritage while generating export-oriented products. Textile-based enterprises, home décor production, and eco-friendly crafts have gained renewed momentum through digital marketing and global consumer interest in handmade and sustainable goods.

Service-oriented sectors have also witnessed substantial participation by women entrepreneurs. Education services, including tutoring, skill training, and early childhood learning centers, have expanded rapidly, particularly in urban and semi-urban regions. Wellness industries such as fitness services, beauty and personal care, mental health support, and holistic health practices have seen strong growth led by women entrepreneurs responding to evolving consumer preferences. These sectors offer flexibility and adaptability, allowing entrepreneurs to scale operations gradually while maintaining manageable business structures.

Technology-enabled solutions represent another emerging area of women's entrepreneurship. Increasing numbers of women are establishing startups and small enterprises in digital marketing, e-commerce management, content creation, consulting services, and software-enabled platforms. The rise of remote working ecosystems and digital service delivery has enabled women to participate in technology-driven economic activities irrespective of geographical location. This shift reflects the growing intersection between digital inclusion and gender-inclusive economic participation.

Women-led MSMEs also contribute significantly to community development and social impact. Many enterprises adopt inclusive employment practices, hiring local workers and supporting livelihoods within surrounding communities. Women entrepreneurs often

reinvest profits into education, healthcare, and family welfare, generating broader socio-economic benefits beyond business performance alone. The multiplier effect created through women's income generation strengthens household resilience and promotes long-term economic stability.

Entrepreneurial networks and mentorship ecosystems have further strengthened women's participation in business. Peer learning platforms, incubators, and entrepreneurship development programs provide guidance on business planning, financial management, and market expansion. Exposure to mentorship enables women entrepreneurs to navigate regulatory frameworks, adopt innovation practices, and build sustainable business models. Such collaborative ecosystems reduce isolation often experienced by first-generation entrepreneurs and foster confidence in business decision-making.

Export facilitation has emerged as an important avenue for scaling women-led enterprises. With increasing global demand for unique, sustainable, and ethically produced goods, women entrepreneurs are entering international markets through export promotion initiatives and digital trade platforms. Participation in trade fairs, buyer-seller meets, and international exhibitions enables MSMEs to connect with global supply chains. Export readiness programs, certification assistance, and logistics support enhance competitiveness and enable women entrepreneurs to move from local markets to global commerce.

Despite expanding opportunities, women entrepreneurs continue to operate within a complex business environment shaped by structural constraints. Access to growth capital remains uneven, particularly for enterprises transitioning from micro-scale operations to small or medium-scale businesses. Many women entrepreneurs encounter challenges in collateral requirements, credit assessment mechanisms, and financial literacy gaps. Additionally, balancing business responsibilities with household and caregiving roles continues to influence enterprise expansion decisions.

Market visibility and branding also present challenges for small women-led enterprises competing with established firms. Limited exposure to advanced marketing strategies and digital analytics may restrict growth potential. Capacity-building initiatives focused on branding, packaging, quality certification, and digital marketing skills therefore play a crucial role in enhancing competitiveness.

Infrastructure accessibility further influences enterprise growth, especially in semi-urban and rural regions where logistics, storage facilities, and supply chain connectivity may be limited. Improved infrastructure enables entrepreneurs to scale production, maintain product quality, and access broader distribution networks. Integration into organized value chains remains an important factor determining long-term sustainability for MSMEs.

The growing participation of women in entrepreneurship reflects changing societal perceptions regarding women's economic roles. Entrepreneurship provides an alternative pathway for professional engagement, particularly for women who may face barriers in formal employment. The ability to design flexible work structures allows entrepreneurs to balance personal and professional commitments while maintaining economic independence.

Women-led MSMEs also contribute to innovation by introducing locally relevant solutions and niche products tailored to evolving consumer needs. Their businesses often emphasize sustainability, ethical sourcing, and community-centered practices, aligning with global shifts toward responsible consumption and inclusive economic development. This approach enhances competitiveness while strengthening India's reputation as a diverse and socially responsible entrepreneurial ecosystem.

The integration of technology continues to accelerate growth opportunities for women entrepreneurs. Digital accounting tools, online training modules, and virtual networking platforms allow business owners to improve operational efficiency and access knowledge resources previously unavailable to small enterprises. Technology adoption reduces information asymmetry and empowers entrepreneurs to make data-driven decisions.

As India's economy evolves toward higher value-added production and services, women-led MSMEs are becoming increasingly significant contributors to economic diversification. Their participation strengthens local manufacturing clusters, enhances service-sector dynamism, and expands employment opportunities across regions. The cumulative impact of thousands of small enterprises collectively supports economic resilience, particularly during periods of economic uncertainty.

The emergence of women entrepreneurs across diverse sectors illustrates a broader transformation in India's development narrative, where entrepreneurship serves

as both an economic and social empowerment tool. Through enterprise creation, women are not only generating income but also shaping new models of inclusive growth that integrate innovation, community engagement, and sustainable business practices.

Digital Economy and Financial Inclusion

Digital transformation has emerged as one of the most significant catalysts for women's economic empowerment in India, reshaping how individuals access markets, financial services, and employment opportunities. The rapid expansion of digital infrastructure, combined with affordable mobile technology and widespread internet connectivity, has enabled women to participate more actively in economic activities that were previously constrained by geographic, social, or institutional barriers. As digital ecosystems expand, women are increasingly transitioning from informal and subsistence-based participation toward structured and measurable economic engagement.

Access to mobile technology has played a foundational role in this transformation. Smartphones have evolved beyond communication tools into platforms for financial management, entrepreneurship, education, and professional networking. Women across rural and urban regions are utilizing mobile applications for digital payments, online commerce, banking services, and skill development. This accessibility reduces dependence on intermediaries and strengthens individual agency in managing income and financial decisions. The ability to conduct transactions digitally enhances transparency and provides women with direct control over earnings, contributing to greater economic autonomy.

Digital payment systems have significantly accelerated financial inclusion by simplifying transactions and reducing entry barriers into formal financial systems. Unified payment platforms, mobile wallets, and instant banking services allow small entrepreneurs and informal workers to participate in cashless economic activity. Women engaged in home-based businesses, self-employment, or small-scale trade can now receive payments securely, maintain transaction records, and build financial credibility. These digital footprints gradually support access to formal credit channels, enabling business expansion and improved financial

stability.

E-commerce ecosystems have further expanded opportunities for women by connecting local producers with national and global markets. Traditional limitations related to physical retail infrastructure, mobility constraints, and market access have been reduced through online marketplaces and social commerce platforms. Women entrepreneurs selling handicrafts, textiles, food products, educational services, and digital solutions can reach diverse consumer bases without significant capital investment. Digital storefronts enable flexible business models, allowing entrepreneurs to operate enterprises alongside household responsibilities while scaling gradually according to demand.

Financial inclusion initiatives linked with digital identity systems have strengthened participation in formal economic structures. Digital identification frameworks facilitate account opening, direct benefit transfers, and access to government support schemes with reduced administrative complexity. Women who previously lacked documentation or banking access are increasingly integrated into the financial ecosystem through simplified verification processes. This integration enhances trust in financial institutions and encourages regular saving behaviour, insurance adoption, and participation in formal economic planning.

Access to credit has also improved through digital financial services that use alternative data for credit assessment. Transaction histories, digital payment records, and online business activity provide lenders with new methods to evaluate creditworthiness, enabling women entrepreneurs without traditional collateral to access financing opportunities. Microcredit platforms, fintech solutions, and digital lending models have expanded financing options for small enterprises, supporting business continuity and growth.

Savings behaviour among women has shown positive transformation through digital banking accessibility. Mobile banking applications enable users to monitor expenditures, manage savings accounts, and participate in investment products with greater ease. Financial literacy programs integrated with digital platforms encourage informed decision-making and long-term financial planning. As women gain greater confidence in



managing finances independently, household economic resilience improves, particularly during periods of uncertainty or income fluctuation.

Evidence consistently demonstrates that women's financial independence generates broader social and developmental benefits. Increased control over income is often associated with higher investment in children's education, improved healthcare access, and enhanced nutritional outcomes within households. Financial inclusion therefore extends beyond individual empowerment to influence community well-being and intergenerational development. Women's economic participation strengthens household decision-making processes and contributes to more balanced allocation of resources toward human capital development.

The digital economy has also expanded employment pathways through remote and platform-based work opportunities. Online freelancing, digital services, virtual assistance, content creation, online education, and technology-enabled consulting have created flexible employment structures that accommodate diverse personal circumstances. Women who may face mobility or safety constraints can participate in income-generating activities from home environments while engaging with national or global clients. This shift reflects a broader restructuring of labour markets where digital connectivity enables participation independent of physical location.

Digital skill development has become an important component of economic inclusion. Online learning platforms provide access to training in areas such as digital marketing, financial management, coding, language skills, and entrepreneurship. Continuous skill acquisition allows women to adapt to evolving labour market demands and transition into higher-value economic roles. Digital literacy initiatives further bridge knowledge gaps, ensuring that technological adoption translates into meaningful economic outcomes rather than limited usage.

Social networks and online communities also contribute to empowerment by enabling knowledge sharing and peer support among women entrepreneurs and professionals. Digital platforms facilitate collaboration, mentorship, and exposure to new business ideas, strengthening confidence and innovation capacity. Access to information regarding market trends, pricing strategies, and consumer preferences allows entrepreneurs to make informed business decisions and improve competitiveness.

The integration of digital governance systems has reinforced transparency and efficiency in welfare delivery, benefiting women directly. Digital transfer mechanisms ensure that financial assistance reaches beneficiaries without leakage, strengthening trust in institutional frameworks. Such systems also encourage formal financial participation by linking welfare benefits to bank accounts and digital platforms, further expanding inclusion.

Urban and rural contexts demonstrate distinct yet interconnected digital participation patterns. In urban regions, women leverage digital tools for professional advancement, entrepreneurship, and gig economy participation. In rural areas, digital inclusion reduces isolation by connecting producers to broader markets and enabling access to financial services previously concentrated in urban centers. The convergence of connectivity across regions supports balanced economic participation and reduces regional disparities.

Technology adoption among women-led enterprises also enhances operational efficiency. Digital accounting tools, inventory management systems, and customer relationship platforms enable small businesses to function with improved organization and scalability. Data-driven insights allow entrepreneurs to understand consumer behaviour, optimize pricing, and manage supply chains more effectively, strengthening long-term business sustainability.

The digital economy's influence extends beyond economic participation to social empowerment. Increased access to information promotes awareness of rights, opportunities, and government programs. Women engaged in digital ecosystems often experience greater confidence in public and economic engagement, reinforcing broader gender inclusion within society. Technology therefore serves not only as an economic enabler but also as a transformative social instrument.

As digital ecosystems continue to evolve, the intersection between technology and financial inclusion remains central to inclusive development. The growing integration of digital payments, online commerce, fintech innovation, and digital identity systems demonstrates how technology can reshape participation patterns and reduce structural inequalities. Women's expanding engagement within the digital economy illustrates the potential of technology-driven growth models to create more equitable economic opportunities while strengthening resilience at household and community levels.

Global Comparison and India's Position

Global comparisons consistently demonstrate that economies achieving higher levels of gender equality benefit from stronger innovation ecosystems, higher productivity growth, and more resilient economic structures. Countries that successfully integrate women into education systems, labour markets, entrepreneurship, and leadership roles tend to experience broader human capital development and improved long-term economic performance. The relationship between gender inclusion and economic competitiveness has therefore become a defining feature of modern development models across advanced and emerging economies.

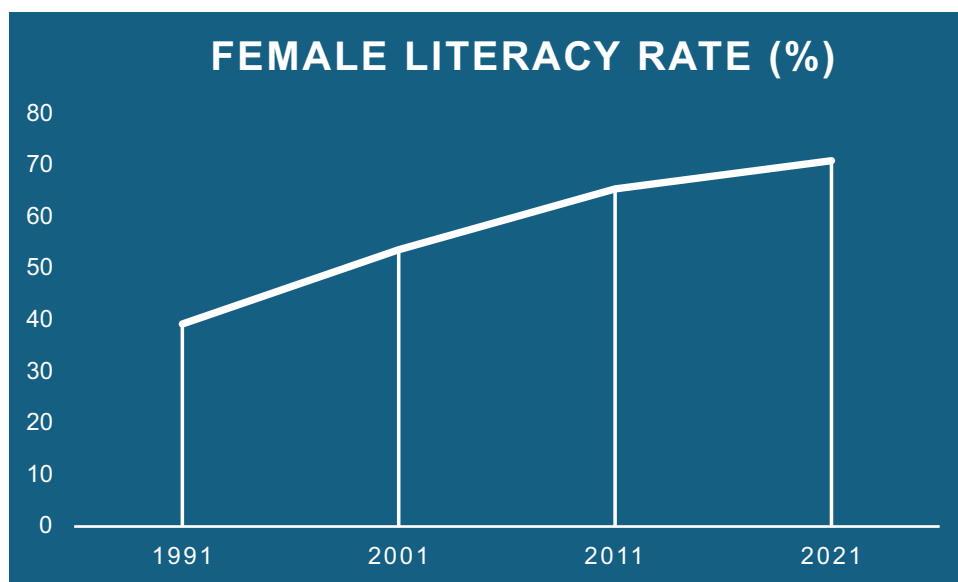
Across developed economies, female participation in education and employment has reached relatively high levels over several decades. According to UNESCO and World Bank education statistics, female literacy rates in advanced economies such as the United States, Germany, Japan, and South Korea exceed 97–99 percent, supported by universal schooling systems and sustained investment in human capital. Female tertiary education enrolment in many OECD countries now equals or exceeds male enrolment, contributing to higher representation of women in professional and innovation-driven sectors.

The graph illustrates the steady rise in female literacy in India over the past three decades, increasing from 39.3% in 1991 to 71% in 2021. The trend reflects sustained policy interventions, expanded access to schooling, and growing social awareness regarding girls' education. While the most rapid gains occurred between 1991 and 2011, the continued upward trajectory indicates gradual consolidation of educational inclusion and improved gender parity in literacy outcomes across the country.

India presents a distinct yet rapidly evolving educational trajectory. Female literacy has increased substantially from 39.3 percent in 1991 to 71 percent in 2021, reflecting sustained expansion in access to schooling and long-term investments in educational inclusion. This steady rise demonstrates the cumulative impact of national education programmes, improved rural outreach, and greater societal recognition of the importance of girls' education.

Beyond basic literacy, female participation in higher education has also expanded significantly. Female gross enrolment ratios have improved steadily, with women now accounting for nearly half of total higher education enrolments in India. In several disciplines, including arts, education, healthcare, and increasingly commerce and

Female literacy Rate in India Since 1991



Source: Compiled by MVIRDC World Trade Center Mumbai



management female enrolment rates are comparable to or, in some cases, higher than those of men. This widening educational participation represents an important structural transformation, gradually strengthening India's human capital base and future workforce capacity.

When compared with other emerging economies, India's progress reflects both convergence and divergence. China achieved near-universal female literacy earlier through rapid expansion of foundational education systems, with literacy rates exceeding 95 percent. Southeast Asian economies such as Vietnam and Thailand also demonstrate strong female education outcomes, supported by export-oriented industrialization and effective workforce integration strategies. However, India's progress carries unique significance due to its scale, demographic diversity, and regional variation, with improvements occurring across complex socio-economic contexts and large population segments simultaneously.

In terms of tertiary education participation, India compares favorably with several developing regions. Female enrolment ratios are higher than those observed in parts of South Asia and Sub-Saharan Africa, where educational access gaps remain substantial. Countries such as Bangladesh have made notable gains through targeted female education programs, particularly at the

secondary level, while India's growth has been driven by expansion in higher education institutions and professional training programs. The increasing presence of women in engineering, management, and digital skill programs reflects gradual alignment with global knowledge economy trends.

Despite strong educational improvements, labour force participation patterns differ across countries. Nordic economies such as Sweden and Norway demonstrate female labour participation rates exceeding 60 percent, supported by extensive childcare systems, flexible work policies, and strong social protection frameworks. In contrast, many emerging economies, including India experience a lag between educational attainment and workforce participation. This divergence highlights structural and social factors influencing employment outcomes beyond education alone.

India's position becomes more competitive when examined through the lens of digital inclusion and entrepreneurship. Rapid digitalization has enabled India to bypass certain traditional development constraints experienced by earlier industrial economies. The expansion of mobile connectivity, digital payment systems, and online platforms has created new pathways for women's economic participation without requiring large-scale physical infrastructure transitions. Compared with many developing economies, India's digital public

Female literacy has increased substantially from 39.3 percent in 1991 to 71 percent in 2021, reflecting sustained expansion in access to schooling and long-term investments in educational inclusion.

infrastructure, particularly digital identity systems and real-time payment networks, provides a unique foundation for accelerating gender inclusion.

Entrepreneurial dynamism further distinguishes India's trajectory. Women-led enterprises are expanding within the MSME ecosystem, supported by financial inclusion initiatives and digital commerce platforms. While advanced economies may demonstrate higher formal employment participation, India shows strong growth in self-employment and micro-entrepreneurship among women. This model reflects adaptive inclusion, where entrepreneurship serves as an alternative pathway to economic participation.

Global value chain participation offers another dimension of comparison. East Asian economies integrated women extensively into export manufacturing sectors during earlier phases of industrialization, particularly in electronics and textiles. India is gradually replicating elements of this model through expansion in apparel manufacturing, electronics assembly, pharmaceuticals, and services exports. Increasing participation in global services trade including IT-enabled services, digital freelancing, and remote professional roles, has allowed Indian women to access international markets more rapidly than traditional industrial pathways would permit.

International collaboration plays an important role in strengthening women's economic participation. Trade agreements, cross-border investment flows, and knowledge exchange programs expose entrepreneurs and professionals to global standards and practices. Participation in international exhibitions, startup ecosystems, and global innovation networks enhances skills transfer and market access. Multilateral institutions

increasingly emphasize gender-inclusive trade policies, encouraging economies to integrate women-owned enterprises into global commerce.

Comparative global indices also illustrate India's evolving position. While advanced economies continue to rank higher in gender equality indicators due to long-established institutional support systems, India demonstrates strong momentum in areas such as digital financial inclusion and educational expansion. The rapid growth of digital payments adoption among women, expansion of bank account ownership, and increased access to online learning platforms distinguish India from many countries at similar income levels.

Learning from international best practices remains an important element of policy evolution. Scandinavian models highlight the role of childcare infrastructure and flexible employment policies in sustaining workforce participation. East Asian experiences demonstrate the impact of export-oriented industrialization on female employment growth. Meanwhile, emerging economies in Latin America provide examples of conditional cash transfer programs supporting women's financial inclusion and education outcomes. India's approach increasingly reflects selective adaptation—integrating global lessons while tailoring implementation to domestic socio-economic realities.

The intersection of education, technology, entrepreneurship, and policy reform positions India within a unique comparative space among developing economies. While challenges remain in translating educational gains into workforce participation parity, the country's rapid digital transformation and entrepreneurial expansion provide structural advantages for accelerated inclusion. The combination of demographic scale, expanding human capital, and technology-driven growth models enables India to pursue a development pathway that differs from traditional industrial economies while still aligning with global inclusion trends.

As global economies increasingly recognize gender equality as an economic imperative rather than solely a social objective, India's progress reflects a gradual alignment with international development patterns. Improvements in female education, expanding digital participation, and integration into global economic networks collectively strengthen India's position within the broader landscape of inclusive growth and innovation-driven development.

Policy Framework

India's evolving policy framework increasingly places women's economic participation at the centre of national development strategy, integrating gender inclusion across education, entrepreneurship, financial access, employment generation, and digital governance. Rather than relying on standalone welfare measures, recent policy approaches embed women's empowerment within broader economic reforms, enabling participation through structural opportunities created across sectors.

One of the most influential policy interventions has been financial inclusion under the Pradhan Mantri Jan Dhan Yojana (PMJDY), which significantly expanded access to formal banking systems. A large proportion of Jan Dhan accounts are held by women, allowing direct access to savings mechanisms, credit linkages, insurance schemes, and government transfers. The integration of Jan Dhan accounts with Aadhaar identification and mobile connectivity has strengthened financial independence by ensuring direct benefit transfers reach women beneficiaries without intermediaries. This shift has enhanced financial security while encouraging savings behaviour and formal economic participation.

Complementing financial inclusion, entrepreneurship-focused initiatives have expanded opportunities for women-led enterprises. The Pradhan Mantri Mudra Yojana (PMMY) has played a critical role in supporting micro and small businesses, with women accounting for a substantial share of loan beneficiaries under Shishu, Kishor, and Tarun categories. These loans have enabled women to establish enterprises in retail trade, services, food processing, handicrafts, and local manufacturing. Similarly, the Stand-Up India Scheme promotes entrepreneurship among women by facilitating bank loans for greenfield enterprises in manufacturing, services, and trading sectors, encouraging first-generation entrepreneurs to enter formal business ecosystems.

The growth of women-owned enterprises has also been

supported through MSME formalization reforms under Udyam Registration, which simplifies enterprise recognition and enables access to subsidies, credit guarantees, and procurement opportunities. Increasing numbers of women-led MSMEs registering on the national portal reflect growing participation in formal economic structures. Government procurement policies encouraging sourcing from MSMEs further create market access opportunities, indirectly strengthening women entrepreneurs who operate within this ecosystem.

Skill development policies have formed another cornerstone of empowerment efforts. The Skill India Mission, particularly through the Pradhan Mantri Kaushal Vikas Yojana (PMKVY), provides industry-aligned training aimed at improving employability among youth and women. Training programs across healthcare, apparel manufacturing, retail, hospitality, electronics, and digital services have enabled women to acquire market-relevant skills. Sector Skill Councils collaborate with industries to ensure training outcomes align with employment demand, helping women transition from informal work into organized employment.

Educational initiatives also contribute significantly to long-term workforce participation. Programs such as Beti Bachao Beti Padhao have focused on improving girl child education, addressing gender disparities in schooling and encouraging continued participation in higher education. Increased female enrolment in secondary and



tertiary education institutions has gradually expanded the skilled workforce pipeline, supporting women's entry into professional and technical sectors.

Manufacturing and industrial policies indirectly enhance employment opportunities for women through sectoral expansion. Initiatives under Make in India and Production Linked Incentive (PLI) schemes have stimulated investment in labour-intensive industries such as textiles, electronics assembly, pharmaceuticals, and food processing sectors where women's employment participation is comparatively higher. The establishment of industrial corridors and manufacturing clusters improves proximity to employment opportunities and reduces barriers related to mobility and relocation.

Digital empowerment policies have emerged as powerful enablers of participation. The Digital India initiative has expanded broadband connectivity, digital literacy, and online service delivery, allowing women to access education, financial services, and entrepreneurial platforms. Digital payment systems such as UPI have simplified business transactions, particularly benefiting women operating small enterprises or home-based businesses. Digital governance reforms reduce administrative complexity and enable easier interaction with public services and financial institutions.

Rural livelihood programs also play a significant role in strengthening women's economic engagement. The Deendayal Antyodaya Yojana – National Rural Livelihoods Mission (DAY-NRLM) has mobilized millions of women into Self-Help Groups (SHGs), facilitating access to credit, training, and enterprise development support.

SHGs serve as community-based economic institutions that promote collective entrepreneurship, financial literacy, and income diversification across rural regions. Women participating in SHGs increasingly engage in micro-enterprises, agri-value chains, and local service activities, contributing to rural economic resilience.

Social protection and employment guarantee schemes further support economic participation. The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) has ensured substantial participation of women workers by mandating wage equality and encouraging inclusive employment practices. Participation in wage employment programs provides financial stability while enabling women to engage in local infrastructure development and community assets creation.

Workplace welfare policies also contribute to sustaining women's participation. Legislative measures such as the Maternity Benefit (Amendment) Act enhance job security and promote continuity in employment by extending maternity leave provisions and encouraging workplace childcare facilities. Such frameworks recognize caregiving responsibilities as an important factor influencing workforce participation decisions.

Infrastructure policies, including rural road connectivity, urban transport expansion, and improved public amenities, indirectly influence women's mobility and access to economic opportunities.

Enhanced transportation networks reduce travel constraints and increase participation in education, employment, and entrepreneurship activities. Urban development initiatives promoting safer public spaces further contribute to creating enabling environments for women's engagement.

Leadership and governance representation policies have strengthened women's participation in decision-making processes. Reservation provisions in local governance institutions under the Panchayati Raj system have increased women's leadership presence at grassroots levels. Exposure to governance roles enhances awareness of economic programs and encourages entrepreneurial and community-level initiatives led by women.

Public-private partnerships remain a critical mechanism for operationalizing policy objectives. Collaboration between government agencies, industry associations, financial institutions, and technology platforms enables skill training, incubation support, mentorship, and market linkage programs. These partnerships bridge implementation gaps by aligning policy design with industry requirements and real economic opportunities.

India's policy ecosystem thus reflects a multidimensional approach where financial inclusion, skill development, entrepreneurship promotion, digital transformation, and social infrastructure collectively support women's economic participation.

The steady increase in women-owned enterprises, improved access to credit, and expanding workforce participation demonstrate how integrated policy interventions are gradually reshaping economic inclusion and strengthening gender-responsive development across the country.

Conclusion: Women's Economic Participation as a Pillar of India's Long-Term Growth

Women's economic participation has emerged as one of the most decisive factors shaping India's long-term competitiveness, social resilience, and sustainable development trajectory. As India transitions toward becoming a developed economy under the vision of Viksit Bharat 2047, the integration of women into productive economic activity is no longer a social objective alone but a strategic economic imperative. Expanding opportunities for women across education, employment, entrepreneurship, leadership, and digital participation holds the potential to unlock transformative economic value while strengthening inclusive and balanced growth.

The number of women-owned enterprises has steadily increased, with women owning nearly 20% of MSMEs in India, contributing significantly to employment generation and local economic development.

India has witnessed encouraging progress in recent years. According to the Periodic Labour Force Survey (PLFS) 2023-24, female labour force participation has risen to approximately 37%, marking a notable improvement compared to earlier years when participation levels remained below 25%.

This upward trend reflects structural shifts driven by expanding educational attainment, rural self-employment opportunities, digital inclusion, and targeted government initiatives promoting financial inclusion and entrepreneurship. However, despite these gains, India remains below the global female labour force participation average of around 47%, indicating significant untapped potential within the economy.

The economic implications of increasing women's workforce participation are substantial. Multiple global

studies estimate that narrowing gender gaps in labour participation could contribute between USD 700 billion and USD 1 trillion to India's GDP by 2030. Such growth would not only accelerate economic expansion but also enhance productivity across sectors by diversifying talent pools and encouraging innovation.

Evidence consistently demonstrates that gender-diverse workplaces improve decision-making quality, risk management, and organizational performance, thereby strengthening competitiveness at both enterprise and national levels.

Education has played a foundational role in enabling women's economic advancement. India today produces one of the largest pools of educated women globally, with women accounting for nearly 49% of total university enrolment and over 30-35% of STEM graduates. This growing talent base provides a strong foundation for participation in high-value sectors such as technology, research, healthcare, financial services, and advanced manufacturing. Yet the transition from education to workforce participation remains uneven due to structural barriers including social norms, safety concerns, caregiving responsibilities, and limited access to flexible employment opportunities.

Digital transformation offers one of the most promising pathways for bridging these gaps. India's rapid expansion of digital infrastructure, supported by initiatives such as Digital India, UPI-based financial ecosystems, and widespread smartphone penetration has enabled millions of women to access markets, financial services, and entrepreneurial opportunities.

Women entrepreneurs increasingly leverage e-commerce platforms, digital payments, and social commerce networks to participate in national and global value chains. The number of women-owned enterprises has steadily increased, with women owning nearly 20% of MSMEs in India, contributing significantly to employment generation and local economic development.

Financial inclusion has also played a transformative role. The expansion of bank accounts under the Pradhan Mantri Jan Dhan Yojana has brought millions of women into the formal financial system, enabling direct benefit transfers, savings, and access to credit. Women now

account for over 55% of Jan Dhan account holders, strengthening economic independence and enhancing household-level financial decision-making. Access to microfinance and self-help group networks has further empowered rural women, creating pathways toward entrepreneurship and community-led economic growth.

Beyond economic output, women's participation generates broader developmental benefits. Increased female employment is strongly correlated with improved health outcomes, higher educational attainment for children, and greater household resilience.

Studies show that women reinvest a higher proportion of income into family welfare and community development, thereby amplifying long-term social impact. Inclusive growth driven by women's participation strengthens social stability and reduces inequality, creating a more balanced and sustainable development model.

The evolving nature of work presents new opportunities for accelerating inclusion. The growth of remote work, gig platforms, and flexible employment arrangements has the potential to address traditional constraints related to mobility and caregiving responsibilities.

Sectors such as digital services, creative industries, education technology, and professional consulting increasingly enable women to participate in the workforce without geographic limitations. Harnessing these opportunities requires supportive policy frameworks, skill development programs, and investments in digital literacy.

Leadership representation remains another critical dimension of economic empowerment. While women's participation at entry and mid-level positions has improved, representation in senior leadership roles and corporate boards continues to lag. Strengthening women's leadership pipelines is essential for fostering inclusive governance and innovation ecosystems. Research indicates that organizations with gender-diverse leadership teams demonstrate stronger financial performance and higher resilience during economic disruptions.

Government policy initiatives have begun addressing these structural challenges through targeted interventions. Programs supporting skill development, entrepreneurship, startup ecosystems, and women-led self-help groups have contributed to expanding economic participation.

Initiatives promoting maternity benefits, workplace safety, and gender-sensitive labour reforms further aim to create enabling environments for sustained engagement. However, continued policy coordination across education, labour, finance, and technology sectors will be necessary to sustain momentum.

International collaboration also plays a vital role in advancing women's economic participation. As global value chains evolve, opportunities are emerging for women entrepreneurs and professionals to integrate into cross-border trade and digital commerce networks.

Knowledge exchange, capacity building, and institutional partnerships can help align India's gender inclusion strategies with global best practices while adapting solutions to domestic realities. Strengthening women's participation in export-oriented industries and international trade platforms will further enhance India's competitiveness in the global economy.

Women now account for over 55% of Jan Dhan account holders, strengthening economic independence and enhancing household-level financial decision-making.

Corporate and institutional leadership must complement policy efforts by fostering inclusive workplace cultures. Investment in mentorship programs, skill upgradation, childcare support systems, and flexible work arrangements can significantly improve retention and advancement of women professionals. Public-private partnerships will remain essential in scaling initiatives that support women's entrepreneurship, innovation, and leadership development.

Importantly, women's economic participation should not be viewed solely through the lens of workforce numbers but as a broader transformation of economic structures. Empowering women as innovators, entrepreneurs, policymakers, and investors reshapes economic priorities toward sustainability, inclusivity, and long-term resilience.

Women's economic participation should not be viewed solely through the lens of workforce numbers but as a broader transformation of economic structures. Empowering women as innovators, entrepreneurs, policymakers, and investors reshapes economic priorities toward sustainability, inclusivity, and long-term resilience.

Women-led enterprises increasingly contribute to sectors aligned with sustainable development goals, including renewable energy, healthcare, education, and social enterprises, reinforcing the link between gender equality and sustainable growth.

As India moves toward becoming the world's third-largest economy, demographic advantages must be matched with inclusive participation. With nearly half of India's population comprising women, achieving sustained high growth rates will depend on effectively integrating this demographic strength into productive economic activity.



Failure to fully harness women's potential risks constraining productivity growth and limiting innovation capacity in an increasingly competitive global environment.

The journey toward gender-inclusive growth also requires shifts in societal attitudes and institutional practices. Encouraging shared caregiving responsibilities, promoting gender-sensitive education, and addressing unconscious workplace biases are essential components of long-term transformation. Economic empowerment

must be supported by social empowerment to create lasting and meaningful change.

Looking ahead, India stands at a pivotal moment. Rapid digitalization, expanding entrepreneurial ecosystems, and growing global engagement provide unprecedented opportunities to accelerate women's economic participation. By aligning policy reforms, institutional frameworks, and private sector initiatives, India can create an enabling ecosystem where women thrive as equal participants and leaders in economic development.

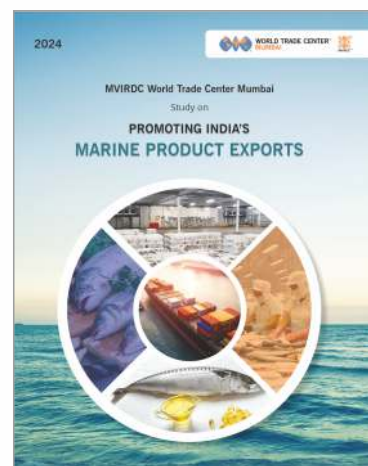
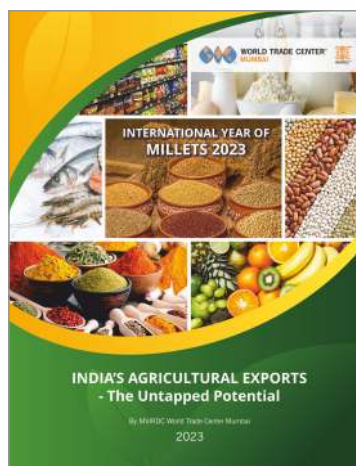
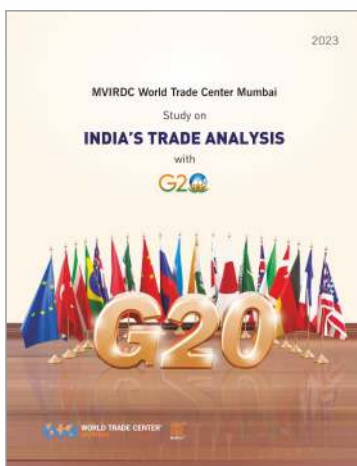
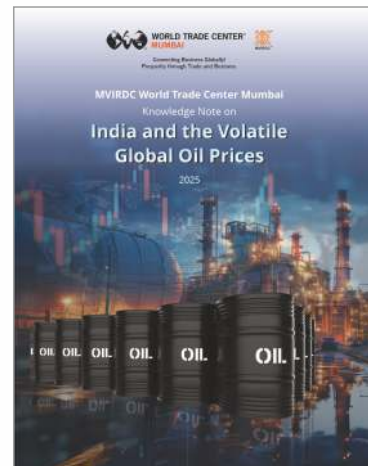
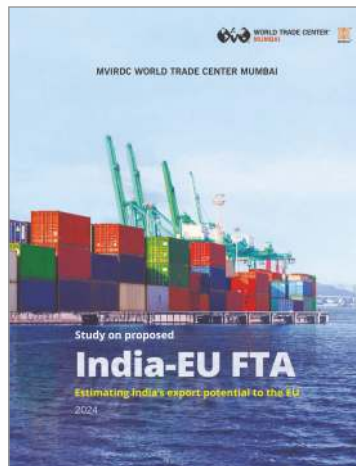
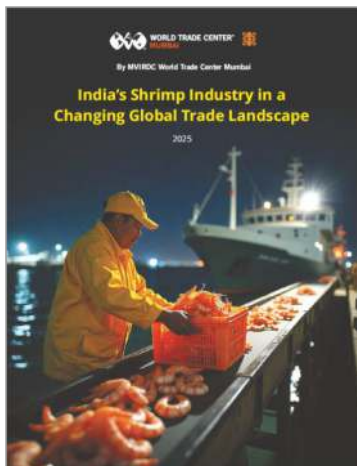
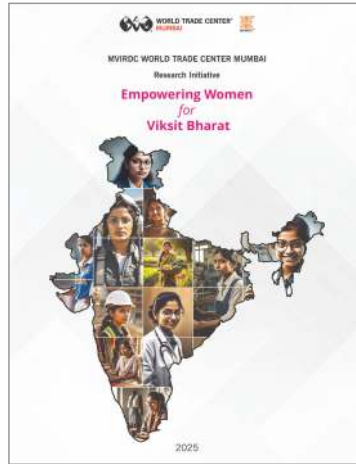
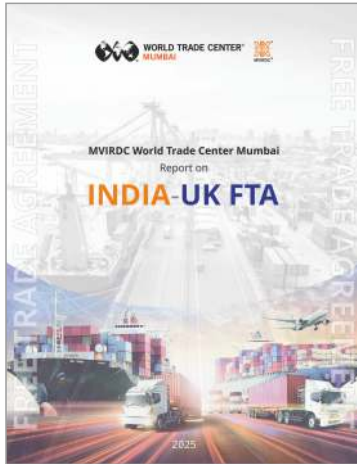
Ultimately, women's economic participation is not merely an inclusion agenda; it is a growth strategy central to India's future prosperity. Inclusive development enhances productivity, strengthens innovation ecosystems, and builds economic resilience capable of withstanding global uncertainties. Recognizing women not only as contributors but as architects of national progress will define the success of India's development journey.

Sustained institutional commitment, collaborative action among stakeholders, and continued investment in education, technology, and entrepreneurship will ensure that women remain at the heart of India's economic transformation.

As India advances toward Viksit Bharat 2047, empowering women across all sectors will be fundamental to building a more equitable, dynamic, and globally competitive economy, one where growth is not only faster but also more inclusive, resilient, and sustainable.

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