

Fostering Women's Growth in Digital Entrepreneurship: The Need for a Flexible Policy Environment

In the heart of India's rapid digital evolution, a notable makeover is unfolding, led by an inspiring group of women entrepreneurs who are reshaping the digital commerce landscape. This pivotal shift is revolutionizing the Indian business environment, ushering in an era dominated by women who embody resilience, innovation, and unwavering commitment to excellence.

Over the last decade, the landscape of financing women-led businesses, which was extremely scattered has undergone massive transformation. Traditional lenders had been hesitant to lend women due to factors such as limited economic security, lack of asset ownership and social barriers. The current government's push for propelling financial agency and fostering an environment promoting women entrepreneurs has aided this decade of transformation. Various government schemes including Pradhan Mantri Mudra Yojana (PMMY) & Stand-up India have created significant impact in improving the ecosystem. In 2023, out of total 44.46 crore loans sanctioned under PMMY, 30.64 crore (69%) have been sanctioned to women; as is the case with Stand-up India, wherein 84% have been sanctioned to women entrepreneurs.

Furthermore, the government's push for Digital India and digital literacy has also played a crucial role in increasing women's participation in the formal economy, leading to their empowerment. Schemes such as the PMGDISHA and PMJDY have enabled women to access to bank accounts, need-based credit, insurance, and remittance facilities. This push for digital literacy and financial inclusion enhanced entrepreneurship among women, especially during the Covid-19 pandemic. The pandemic played a role in accelerating the digital revolution in India, propelling businesses to rapidly adopt digital solutions. E-commerce experienced a remarkable boom as people turned to online shopping for their everyday needs. This gave new opportunities for women entrepreneurs to scale their businesses, providing a platform for innovation, growth, and international reach.

At present, India is home to 63 million micro, small, and medium enterprises (MSMEs), with women owning about 20.5% of these, providing livelihoods to an additional 40 million individuals. It is projected that enhancing women's entrepreneurship could lead to over 30 million women-led enterprises, generating 150 to 170 million jobs. However, despite the digital revolution's vast opportunities, women entrepreneurs still encounter regulatory and digital barriers that can impede their progress. E-commerce exporters, especially from the MSME sector, face distinct challenges such as high return rates and logistical costs. Furthermore, societal norms, gender biases also act as hurdles. Accessing capital and financial services remains particularly challenging, with factors like limited property ownership and discriminatory lending practices exacerbating the issue.

Improving access to bank finance and tailoring government schemes to serve more women-owned businesses are essential steps toward fostering entrepreneurship among women, especially in small towns and rural areas. To achieve the government's ambitious goal of \$1 trillion in exports by 2030, a robust e-commerce strategy is imperative, one that bolsters women led MSMEs and empowers small businesses to venture into the online world.

The emergence of e-commerce in India is levelling the playing field, where talent and innovation trump gender biases. Women entrepreneurs can steer their businesses on their own terms, swiftly adapting to market dynamics and reaching a worldwide audience. The spread of e-commerce across India's

postal codes democratizes the digital marketplace, enabling entrepreneurs from smaller cities to pursue their entrepreneurial ambitions.

The support from e-commerce giants like Amazon and Flipkart sparks optimism. Initiatives like Amazon *Saheli*, and Walmart-Flipkart's *Vridhhi* have been pivotal, offering training, support, and visibility to women-led businesses in the digital realm. Recently, at the *9th Annual Shakti International Women Entrepreneurs Summit*, it was highlighted that over the past decade, conducive policies and environment has been created to promote women entrepreneurship, because of which there has been an unprecedented increase in the number of women entrepreneurs in India. At the event also saw the launch of the "*Panjikaran Se Pragati*" scheme, that has been designed to encourage women entrepreneurs to register under to Udyam and unlock a plethora of opportunities such as collateral free loans and subsidised interest rates.

As India strides toward a digital-centric future, the spirit of women entrepreneurs in the e-commerce sector stands as a testament to the transformative power of digital technology. However, to harness this potential, a supportive policy framework is essential, one that addresses the unique hurdles faced by women in e-commerce. This includes tackling regulatory barriers, facilitating access to global markets, closing the digital divide, and promoting international trade.

Narrowing the gender gap on online platforms can stimulate the economy significantly, injecting billions into the pockets of women entrepreneurs and exponentially expanding global e-commerce markets. The digital revolution presents a unique chance to empower women entrepreneurs, driving economic growth and fostering a more inclusive and equitable business environment. As the digital landscape evolves, the role of women entrepreneurs in shaping the future of e-commerce becomes increasingly crucial. Their resilience, innovation, and entrepreneurial spirit are driving change, contributing to economic growth and fostering a more inclusive and diverse digital economy. The narrative of women entrepreneurs in India's e-commerce sector showcases the transformative potential of digital technology in revolutionizing lives and economies, underscoring the need for ongoing support and investment in women-led digital ventures.