

STARTUP INDIA AND WOMEN ENTREPRENEURS: A SYSTEMATIC LITERATURE REVIEW

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Abstract

The importance of entrepreneurship in fostering innovation, creating jobs, and advancing socioeconomic development is becoming more widely acknowledged. However, cultural norms, financial restrictions, and a lack of support for entrepreneurs continue to be major obstacles for women entrepreneurs in India, which leads to their underrepresentation in the startup ecosystem. In order to rectify these disparities, the Indian government started the Startup India program in 2016 to foster an atmosphere that encourages new businesses, particularly those run by women. This systematic literature review (SLR) analyses 25 peer-reviewed scholarly works, government reports, and policy papers produced between 2016 and 2025 to investigate Startup India's role in assisting female entrepreneurs. According to the study, the program has improved exposure and opportunity for women-led businesses, especially in service-oriented and technology-driven industries, and it has made it easier for them to access networks, training, and institutional support. There are still structural issues in spite of these developments. Social standards, financial exclusion, lack of mentorship, gendered expectations, and restricted scalability all continue to impede the expansion and long-term viability of women-owned businesses. In order to overcome sociocultural hurdles, the results highlight the necessity of more inclusive financing structures, customized mentorship programs, and community-based initiatives.

This study adds to the conversation about entrepreneurship and gender by highlighting policy implications and summarizing recent studies. It ends with suggestions for enhancing women's involvement in India's startup scene in order to support equitable and long-term economic development.

Keywords: Women Entrepreneurs, Structured Literature Review, Startup India, Policy Impact, and Indian Entrepreneurship.

INTRODUCTION

Everyone knows that entrepreneurship is essential to economic innovation, job creation and social empowerment. It promotes regional development, equitable economic frameworks, and technological improvement in addition to increasing the nation's GDP. Significant changes have occurred in India entrepreneurship during the past ten years, especially since the government of India launched the startup India program in January 2016. With the use of financial incentives, regulatory simplifications, and a favourable policy climate, this flagship program sought to support innovation-driven businesses (DPIIT, 2020). As of May 2025, India now has the third-largest startup ecosystem globally, with more than 1,17,000 enterprises recognized by DPIIT. Contributions come from a range of areas, such as e-commerce, finance, agriculture, and health technology (NASSCOM, 2024). Despite this encouraging growth, women entrepreneurs have historically been underrepresented in this industry.

The primary cause of the gender gap in entrepreneurship is structural barriers, such as restricted access to capital, a dearth of professional mentorship networks, a lack of entrepreneurial education, and deeply rooted sociocultural norms that restrict women's ability to pursue entrepreneurship (Verma & Singh, 2021). To address these disparities, the Startup India initiative has implemented specific programs and enacted legislation to assist women-led enterprises. Special incentives have been established to assist women in starting their businesses, such as the Women Entrepreneurship Platform (WEP), Startup India Seed Fund Scheme (SISFS), and other state-led incubation programs (Patel & Jain, 2022). These initiatives mark a significant change in policy that support entrepreneurship that is sensitive to gender. Beyond advocating for gender equality, women's entrepreneurship is essential to attaining sustained financial prosperity.

The International Finance Corporation (IFC, 2023) estimates that by 2030, a 16 % increase in women's entrepreneurship may increase India's GDP. However, in spite of policy initiatives and financial incentives, women entrepreneurs in India still encounter a variety of obstacles, including restricted access to credit, insufficient mentorship opportunities, a lack of digital literacy in rural areas, and sociocultural biases that limit women's ability to hold leadership positions in their companies (Agarwal & Sinha, 2022).

It is crucial to evaluate critically how government-led programs like Startup India affect women's engagement in entrepreneurship in light of these enduring obstacles. To determine the precise opportunities brought about by these measures, the challenges that still exist, and the areas in need of more policy improvement, a thorough assessment is especially required. Furthermore, such a review provides pertinent insights for policymakers, academic researchers, and ecosystem facilitators, given India's increasing focus on women-led innovation and digital entrepreneurship.

REVIEW OF LITERATURE

Over the past 10 years, women's entrepreneurship in India has garnered increasing scholarly interest, particularly in light of legislative initiatives like Starup India. This section divides the body of literature into three main categories: startup India's potential, the difficulties faced by female entrepreneurs, and the effects and suggestions of policy.

Prospects Developed by Startup India

Many scholars have examined how the Startup India initiative has raised opportunities for Indian women business owners. According to Sharma (2021), women's awareness of entrepreneurship has significantly increased as a result of the initiative, especially in cities. Startups India's many financing efforts and incubation programs have made it simpler for women to receive mentoring and early-stage funding.

Verma and Kaur (2020) Highlight how initiatives such as the Women Entrepreneurship Platform (WEP) have grown into helpful online platforms for connecting female entrepreneurs with mentors, government initiatives, and investors. Early-stage funding from the startup India Seed Fund Scheme (SISFS) has been extremely beneficial to women-led businesses, helping them overcome their initial resource constraints (DPIIT,2022),

Kumari et al. (2021) Observe that the startup India Ease of Doing Business reforms-such as tax exemptions, streamlined registration, and lessened regulatory compliance have especially helped women business owners in MSME sectors.

Table1: Startup India Programs Supporting Women Entrepreneurs

Program/Initiative	Description
Women Entrepreneurship Platform (WEP)	An internet platform that links female entrepreneurs with government programs, investors, and mentors.
Startup India Seed Fund Scheme (SISFS)	Offers funding to women-led enterprise in their early stages.
Facilitation of Business Reforms	Tax advantage and streamlined processes for women-led businesses.

Obstacles Female Entrepreneurs Face:

Despite all of this, there are still many barriers facing female entrepreneurs. Financial institutions typically see women-led firms as high-risk, which restricts their access to formal credit and venture capital (Agarwal and Shina, 2022). Additionally, social challenges such as patriarchal views, household responsibilities, and limited mobility were noted by Gupta and Arora (2019) as significant obstacles to women's ambitions to pursue entrepreneurship, especially in rural and semi-urban regions.

Patel and Jain (2022) also point out the dearth of mentorship programs and peer networking websites specifically designed for women. Although there are platforms such as WEP, their reach in Tier II and Tier III cities is still restricted.

Obstacles Faced by Female Entrepreneurs

Challenge	Description
Financial Access	Restricted availability of venture financing, angel investors, and bank loans.
Socio-Cultural Barriers	Family obligations and gender preconceptions are impeding business operations.
Absence of Guidance	Lack of professional networks and mentorship initiatives geared toward women.
Access to the Market	Restricted access to more extensive domestic and foreign markets

Patel and Jain's policy analysis from 2022 states that despite India's raised government response to the needs of women entrepreneurs, there are still significant implementation gaps. In rural areas, they propose more digital and entrepreneurial literacy programs, more women on incubator advisory boards, and more gender-specific finance efforts.

According to Agarwal et al. (2023), sector-specific incentives and subsidies should be provided to women entrepreneurs in underrepresented industries, such as crafts, education, and agriculture. Furthermore, the disparity in entrepreneurship opportunities between urban and rural communities may be successfully closed with improved digital infrastructure and online training programs offered by organizations like the World Food Program.

By offering finance, coaching, and regulatory assistance, Startup India has made significant progress in increasing women's entrepreneurial engagement, according to the reviewed literature. The full realization of these prospects

is nonetheless hampered by enduring issues with market connections, sociocultural acceptance, and financial availability. In order to overcome these inequities, the research also highlights the significance of sector-and region-specific policy intervention.

Research Questions:

- RQ1: What is the impact of Startup India on women entrepreneurs in India?
- RQ2: What challenges persist for women-led startup under this initiative?
- RQ3: What are the future research and policy directions recommended to promote women entrepreneurship?

Objectives

- To conduct a thorough analysis of the body of research on startup India's contribution to women entrepreneurs.
- To determine the main advantage and difficulties that female entrepreneurs encounter as a result of this program.
- To suggest future lines of inquiry and legislatives actions to enhance the Indian women's entrepreneurship environment.

RESEARCH METHODOLOGY

This study uses a Systematic Literature Review (SLR) methodology, utilizing Kitchengam's(2004) systematic process for evidence-based research and adhering to the PRISMA(Preferred Reporting Items for Systematic Reviews and Meta-Analyses) 2020 standards. The technique was created to thoroughly collect, evaluate, and synthesize pertinent research on how the Startup India program has affected female entrepreneurs.

Data Sources

The following databases underwent a thorough search.

- Google Scholar
- Scopus
- JSTOR
- Research Gate
- Official government portals like DPIIT an NITI Aayog

An overview of the reviewed studies, but domestic and foreign

S. No.	Paper Title	Author	Year	Key Findings
1.	Startup India and Women-led Startups: Opportunities and Challenges	Sharma & Verma (India)	2021	Although is focused on urban area, startup India increased the number of women-led startup registrations.
2.	Financial Constraints of Women Entrepreneurs in India Startup Ecosystem	Agarwal & Sinha (India)	2022	For Indian women entrepreneurs, conventional credit and venture capital access continue to be major obstacles.
3.	Role of women Entrepreneurship Platform (WEP) in Startup India Initiative	Gupta & Arora (India)	2019	Although WEP improved mentorship and awareness, it lacked a planned outreach strategy in rural and semi-urban regions.
4.	Startup India Seed Fund and Early-Stage women Startups	Kumari & Arora (India)	2021	Although ideation phases were aided by seed funding schemes, post-funding sustainability is still a policy concern.
5.	Women Startups in Tier-II	Patel & Jain (India)	2022	In tier-II cities, women's involvement was hampered by limitations on internet access.
6.	The Global Rise of Women Entrepreneurship in Technology Startup	Carter & Shaw (UK)	2015	Despite expanding legislative frameworks supporting gender equity, there is still a gender disparity in technology companies worldwide.

7.	International Barriers to Female Entrepreneurship in Emerging Markets	Brush et al.(USA)	2018	In emerging economies, scalable women-led businesses are constrained by institutional gaps and lax implementation of policies.
8.	Gender and Entrepreneurship: Access to Venture Capital and Credit Globally	Marlow & Patton (UK)	2020	Globally, there is gender-based financial discrimination; female businesses receive lower investment offers and valuations.
9.	Mentorship Impact on startup Success among Female Entrepreneurs	Hechavarria et al., (USA)	2019	For women, the existence of formal mentorship networks greatly increases startup scalability.
10.	Digital Literacy as a Catalyst for Women Entrepreneurs in India	Desai & Malhotra (India)	2020	Urban women-led IT businesses grew as a result of startup India's digital literacy training.
11.	Impact of Government Initiatives on Female-led SMEs in India	Bansal & Bhardwaj (india)	2021	Government programs boosted registrations but did not improve women's access to markets SEMs.
12.	Global gender entrepreneurship Index: A Cross-Country Analysis	Kelley et al. (Global Report)	2017	India performs worse than the global average on metrics that promote female entrepreneurs.
13.	Women in startup: Comparative Study of India and Southeast Asia	Mehra & Roy (India/Singapore)	2022	When it comes to policy responsiveness and market access, women-owned businesses in Southeast Asia do better than those in India.
14.	The role of business Incubators for Female Entrepreneurs in Africa	Namatovu et al. (Uganda)	2020	In African economics, business incubators have greatly increased the entrepreneurial potential of women.
15.	Startup Policy Support for Gender Inclusion in European Ecosystem	Anderson & Warren (Europe)	2021	European straturp regulations use targeted seed money and quotas to specifically address gender inclusion.
16.	Barriers to Female Entrepreneurship: A South Asian Review	Bhattecharya et al. (India)	2019	Women's entrepreneurship in India is hampered by a lack of social capital, mentoring, and constrictive sociocultural norms.
17.	Gendered Ecosystem and Startup Scaling Challenges in Latin America	Ruiz & Gonzalez (Mexico)	2020	Similar to India, Latin America confronts obstacles for female entrepreneurs, mainly in the areas of networking and finance.
18.	Startup India Scheme: Bridging Gender Disparity in Business	Narang & Tiwari (India)	2021	Through focused initiatives, Startup India helped to partially close the gender gap, but it lacked rural inclusion.
19.	Entrepreneurial Resilience Among Women Startups During COVID-19	Srivastave et al. (India)	2022	Because of their weak financial support and broken supply networks, women-led enterprises were particularly heavily struck by the pandemic.
20.	Female Accelerators and Female Founders' Performance in USA	Feldman et al. (USA)	2018	Startup accelerators have a beneficial impact on the revenue generation and investment attraction of female entrepreneurs.

The Startup India initiative's enabling frameworks and the long-standing obstacles encountered by Indian women entrepreneurs interact in a complicated way, according to the comprehensive evaluation of the literature.

Startup India's Beneficial Effect on Female Entrepreneurs:

Access to essential resources, including as seed money and mentorship, for women-led firms has undoubtedly increased thanks to the Women Entrepreneurship Platform (WEP) and the startups India Seed Fund Scheme (SISFS), two of the initiative's primary objectives. Women's startup registration rates have increased as a result of this improved support system, especially in urban with the most developed systems and awareness (Sharma & Verma, 2021; Kumari et al., 2021). Additionally, some women have been able to explore technology-driven business initiatives thanks to the programs digital literacy efforts, indicating a move toward creative entrepreneurship models (Desai & Malhotra, 2020).

Continuing Obstacles for Female Entrepreneurs:

Although these developments, the report identifies enduring obstacles that keep female business owners from reaching their grater potential. Financial institutions often see women-led businesses as high-risk venture, which results in a higher loan rejection rate and a lack of venture capital, making this one of the most urgent problems (Agarwal & Shina 2022). Sociocultural barriers continue to have a detrimental effect on entrepreneurial involvement: women in rural and semi-urban areas are disproportionately affected by patriarchal norms, family responsibilities, and limited mobility (Gupta & Arora, 2019).

Furthermore, even while mentoring initiatives like WEP have established beneficial networks, their uptake is still mostly concentrated in metropolitan areas. Women entrepreneurs in rural and Tier II/Tier III cities are frequently excluded from these support networks, which restricts their access to markets, peer learning, and information sharing (Patel & Jain, 2022). Due to restricted networking opportunities and inadequate exposure, market access itself becomes a significant barrier that hinders women entrepreneurs' capacity to expand outside their local markets.

Regional and Sectoral inequalities:

Significant differences in the adoption and efficacy of startup India initiatives across industries and geographical areas are found in the research. Improved infrastructure, connection, and ecosystem support in urban locations increase the development areas, on the other hand, fall behind, mostly as a result of sociocultural opposition and insufficient digital infrastructure. Furthermore, women entrepreneurs continue to be underrepresented in several industries, including as agritech, handcrafts, and education, highlighting the need for more sector-specific policy interventions (Agarwal et al., 2023).

Policy Weaknesses and Room for Development:

The research highlights implementation shortcomings that require immediate attention, even though Startup India has established a basic framework for women entrepreneurs. Measures to promote financial inclusion must be more gender-responsive, with customized lending products risk assessment models that take into account the particular difficulties experienced by female business owners. The gap between urban and rural areas may be closed with improved digital and entrepreneurial literacy initiatives, particularly for rural women.

Increasing the number of women on incubator advisory boards and decision-making committees can also assist guarantee that policies are more inclusive and meet the interests of female entrepreneurs. A more comprehensive and sustainable ecosystem in India may be promoted by fortifying ties between public and commercial sector organizations as well as civil society.

FINDINGS AND DISCUSSION

The following important conclusions on the effect of the Startup India program on Indian women entrepreneurs are drawn from the systematic assessment of 25 peer-reviewed publications, government reports, and policy papers published between 2016 and 2025:

1. Greater Knowledge and Involvement of Female Entrepreneurs

Women's knowledge of entrepreneurship has grown significantly as a result of the startup India program, particularly in urban areas. By giving them access to government programs, money, and mentorship, initiatives like the Startup India Seed Fund Scheme (SISFS) and the Women Entrepreneurship Platform (WEP) have made it easier for women to participate more in the startup ecosystem (Sharma & Verma 2021; Kumari et al., 2021).

2. Financial Assistance Is Still Inadequate and Limited

Despite existing programs, formal financing remains a major obstacle for female entrepreneurs. Financial institutions frequently view women-led enterprises as high-risk, which limits their access to bank loans, venture capital, and angel investments. According to startup India, this financial limitation continues to be one of the biggest obstacles to women's access as entrepreneurs (Agarwal & Sinha, 2022; Gupta & Arora 2019).

3. Social and Cultural Barriers Still Prevent Women from Starting Their Own Businesses

Women in rural and semi-urban settings are particularly impacted by ingrained patriarchal standards, familial obligations, and restricted mobility. Despite regulatory initiatives to promote inclusiveness, these sociocultural barriers prevent women from participating fully in the startup ecosystem (Gupta & Arora, 2019; Patel & Jian, 2022).

4. Urban Bias Exists in Mentoring and Networking Platforms

Although the WEP and related programs provide beneficial networking and mentoring opportunities, their reach is still mostly limited to metropolitan areas. These vital support networks are frequently inaccessible to women entrepreneurs in Tier II and Tier III cities, which hinder their capacity to grow and reach wider markets (Patel & Jain, 2022).

5. Women-led MSMEs from Ease of Doing Business Reforms

Women-led micro, small, and medium-sized businesses (MSMEs) have benefited from regulatory reforms that make business formalization and operations simpler, such as streamlined registration processes, tax exemptions, and decreased compliance obligations (Kumari et al., 2021; Bansal & Bhardwaj, 2021).

6. Disparities in Women Entrepreneurship by Sector and Region

Inequalities in women's participation exist across industries and regions. Tech-based companies are more prevalent in urban region, while industries like handicrafts and agritech, targeted interventions are obviously needed (Agarwal et al., 2023; Narag & Tiwari, 2021).

7. Gaps in Implementation and Policy Suggestions

There are still implementation gaps even though Startup India's gender-focused initiatives have enhanced the entrepreneurial environment for women. Expanding financial inclusion, enhancing outreach in rural and semi-urban areas, increasing the participation of women in policy-making bodies, and fortifying sector-specific support are all imperative (Patel & Jain, 2022; Agaewal et al., 2023).

CONCLUSION

By raising awareness, making funding more accessible, and offering mentorship opportunities, the Startup India initiative has catalysed the growth of women entrepreneurs, according to this literature-based analysis. Particularly in Tier I cities like Delhi, Bengaluru, and Mumbai, flagship initiatives like the Women Entrepreneurship Platform (WEP) and the startup India Seed Fund Scheme have significantly aided early-stage women-led businesses.

However, persistent structural and socioeconomic problems still limit women's business potential in Tier II and Tier III cities. Gender biases, lack of region-specific outreach, restricted mentorship infrastructure, and restricted access to institutional finance continue to be major obstacles. Because rural women entrepreneurs are often excluded from formal ecosystems because to their lack of digital literacy and connection, the urban-rural divide exacerbates inequality.

Overall, startup India has laid a strong foundation for gender-inclusive entrepreneurship nevertheless, consistent, regional, and gender-conscious government policies are required for the next phase. Women entrepreneurs may reach their full potential and significantly contribute to India's innovation-driven economic growth if cultural and institutional hurdles are removed and regional disparities are bridged.

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