

WOMEN ENTREPRENEURSHIP IN GST ECOSYSTEMS

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ABSTRACT

Women entrepreneurship has emerged as a significant driver of economic development, innovation, and employment generation. In India, tax reforms such as the introduction of the Goods and Services Tax have transformed the business environment by simplifying the indirect tax structure and creating a unified national market. This paper examines gender dynamics in women entrepreneurship within the GST ecosystem. It explores the opportunities and challenges faced by women entrepreneurs in complying with GST regulations and adapting to digital tax systems. The study uses secondary data and insights from previous research to analyse how GST affects women led enterprises, particularly micro and small businesses. Findings suggest that while GST promotes business formalization and wider market access, women entrepreneurs often encounter barriers related to digital literacy, compliance complexity, and access to professional support. The study concludes with policy recommendations aimed at strengthening the participation of women entrepreneurs in the GST ecosystem.

KEYWORDS: Women Entrepreneurship, GST Ecosystem, Gender Dynamics, MSMEs, Digital Compliance.

INTRODUCTION

Entrepreneurship plays a crucial role in economic growth, innovation, and job creation. In recent decades, women entrepreneurship has gained increasing attention as an important factor in achieving inclusive economic development. Women entrepreneurs contribute significantly to employment generation, poverty reduction, and regional development.

In India, the introduction of the Goods and Services Tax in July 2017 marked a significant reform in the country's indirect tax system. GST replaced multiple taxes such as VAT, service tax, and excise duty with a unified tax structure. This reform aimed to simplify taxation, reduce cascading taxes, and create a transparent business environment.

Although GST offers numerous opportunities for businesses, it also requires digital compliance and periodic return filing. For many women entrepreneurs, especially those operating small enterprises, adapting to this digital and regulatory environment presents challenges. Gender-based barriers such as limited access to finance, technological skills, and professional networks further complicate the process.

Therefore, understanding gender dynamics in the GST ecosystem is essential to ensure that tax reforms support inclusive entrepreneurship and empower women in the business sector.

REVIEW OF LITERATURE

According to Amartya Sen (1999): economic participation of women is a critical element in achieving social and economic progress. Women's empowerment in entrepreneurship not only improves individual income but also enhances household welfare and community development.

Brush, de Bruin, and Welter (2009): proposed a gender-aware framework that explains how social, institutional, and economic factors influence women entrepreneurs. Their study highlights that women entrepreneurs often face structural constraints that limit their growth potential.

Research on GST reforms indicates that the tax system has improved transparency and compliance while encouraging business formalization. However, studies also suggest that small enterprises face difficulties in adapting to digital tax systems and maintaining regular compliance.

Despite the growing literature on women entrepreneurship and tax reforms, limited research has specifically examined how GST affects women-owned businesses and the gender dynamics within the GST ecosystem.

RESEARCH GAP:

Most existing studies focus either on GST implementation or women entrepreneurship separately. There is limited research analyzing how GST regulations and digital tax compliance affect women entrepreneurs. This gap highlights the need for studies that explore gender-specific challenges and opportunities in the GST ecosystem.

OBJECTIVES OF THE STUDY

The study aims to achieve the following objectives:

- To examine the impact of GST on women entrepreneurship in India.
- To identify challenges faced by women entrepreneurs in GST compliance.
- To analyze opportunities created by GST for women-owned enterprises.
- To suggest policy measures to improve women's participation in the GST ecosystem.

RESEARCH METHODOLOGY

The study follows a descriptive and analytical research design.

Data Sources:

- Secondary data from research journals, government reports, and policy documents.
- Information from MSME and entrepreneurship reports.

WOMEN ENTREPRENEURSHIP IN INDIA

Women entrepreneurs play a vital role in the Indian economy by creating employment opportunities and promoting innovation. Government initiatives such as Startup India, Stand-Up India, and various MSME schemes encourage women to start and expand businesses.

However, women entrepreneurs often face barriers such as limited access to finance, lack of managerial training, and restricted mobility. Social norms and family responsibilities also influence their entrepreneurial activities.

GST ECOSYSTEM AND BUSINESS ENVIRONMENT

The GST system has significantly transformed the Indian business environment by integrating the national market and simplifying tax procedures. Key benefits of GST include:

- Elimination of multiple indirect taxes
- Transparent tax structure
- Digital tax filing system
- Increased compliance and accountability

Despite these benefits, GST compliance requires technological awareness, timely filing of returns, and understanding of tax regulations. These requirements can be challenging for small businesses and first-generation entrepreneurs.

GENDER DYNAMICS IN THE GST ECOSYSTEM

Women entrepreneurs experience specific challenges within the GST ecosystem. These include:

• Digital Literacy Gap

Many women entrepreneurs operate small businesses and may have limited exposure to digital technologies required for GST filing.

• Limited Access to Professional Support

Professional services such as chartered accountants or tax consultants may be expensive for micro enterprises run by women.

• Financial Constraints

Women-owned businesses often face difficulties in accessing formal credit and financial resources.

• Work–Life Balance

Balancing household responsibilities with business management can affect the ability of women entrepreneurs to manage complex compliance requirements.

Opportunities for Women Entrepreneurs under GST:

Despite challenges, GST provides several opportunities for women entrepreneurs.

- Access to a unified national market
- Increased business credibility through formal registration
- Opportunities for e-commerce expansion
- Improved transparency in business transactions
- These opportunities can enhance the growth and sustainability of women-owned enterprises if appropriate support systems are provided

SUGGESTIONS

To strengthen women entrepreneurship within the GST ecosystem, the following measures are recommended:

- Conduct specialized GST training programs for women entrepreneurs.

- Improve digital literacy and technological skills through government initiatives.
- Provide subsidized tax consultancy services for micro women enterprises.
- Encourage financial institutions to offer credit support to women-owned businesses.
- Simplify GST compliance procedures for small enterprises.

CONCLUSION

Women entrepreneurship is a critical component of inclusive economic development. The introduction of GST has transformed the business environment in India by promoting transparency and market integration. However, women entrepreneurs face unique challenges in adapting to digital tax systems and compliance requirements. Addressing these challenges through targeted training, financial support, and simplified procedures can enhance the participation of women entrepreneurs in the GST ecosystem. Strengthening gender-inclusive policies will contribute to sustainable economic growth and empowerment of women in the entrepreneurial sector.

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