

Empowering Women Entrepreneurs in MSMEs: A Study of Growth, Finance, and Government Initiatives in Haryana

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ABSTRACT

This paper examines the growth and performance of MSMEs with a focus on women entrepreneurs in Haryana. Using current authorities reviews and scholarly studies, it summarizes key central and state schemes that concentrate women (e.g., Mudra/PMMY, Women Entrepreneurship Platform and Haryana's Matrushakti/Matrushakti Udyamita initiatives), highlights chronic financial obstacles confronted by using women business owners (limited collateral, informational asymmetry, limited access to formal credit and low awareness of schemes), and proposes centered measures (financial literacy, tailored credit products, credit guarantee expansion, simplified registration, and linked incubation/mentoring). The paper concludes with policy recommendations aimed at enhancing access to finance and growing the overall performance and sustainability of women-led MSMEs in Haryana.

Keywords: MSMEs, Women Entrepreneurs, Government Policies

Introduction

Micro, Small and Medium Enterprises are central to India's employment and inclusive boom schedule. MSMEs contribute substantially to manufacturing, services, employment technology and exports nationally; state-level performance and policy implementation determine how inclusive these benefits are for women entrepreneurs. Haryana has prioritized

improving ease-of-doing-business and promoting entrepreneurship through state programs and partnerships, even as the central government runs multiple schemes explicitly aimed toward women entrepreneurs and MSMEs. Yet women-led micro and small businesses hold to face finance-associated constraints that limit scaling and productivity. This study focuses on latest growth/performance indicators for MSMEs, documents relevant central and Haryana government initiatives targeted at women, identifies not unusual financial obstacles faced by women entrepreneurs in Haryana, and gives realistic measures to deal with those barriers (MSME Annual report 2023-24).

Comparison between 2020 and 2025 Investment and Annual Turnover Limits for MSMEs

The classification criteria for Micro, Small, and Medium Enterprises (MSMEs) in India were revised in the Union Budget 2025-26, increasing both investment and turnover limits. Below is a comparison between the 2020 and 2025 thresholds:

Enterprise Type	Investment Limit (₹ Crore)		Annual Turnover Limit (₹ Crore)	
	2020	2025	2020	2025
Micro	1	2.5	5	10
Small	10	25	50	100
Medium	50	125	250	500

These enhancements-2.5 times increase in investment limits and 2 times in turnover limits aim to support MSMEs in achieving greater economies of scale, technological advancements, and improved access to capital.

Objectives of the Study

1. To check the growth and performance of Micro, Small and Medium enterprises.
2. To study the financial obstacles faced by women entrepreneurs of MSME sectors in Haryana.
3. To study the various initiatives taken by state (Haryana) and central government for supporting and promoting the women entrepreneurship in the MSME Sectors.

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4. To suggest various measures to resolve the major financial problems faced by women entrepreneurs in MSMEs to make their performance effective.

Research Methodology

The paper is descriptive and exploratory in nature. The data used in this paper is mainly from the secondary sources. The data has been collected from secondary sources like Research Papers, Annual Reports of government, Internet, Articles, Economic Surveys, Journals.

- ❖ Check The Growth and Performance of Micro, Small and Medium Enterprises

Participation of Female and Male Entrepreneurs in MSME Sector

Percentage Distribution of Enterprises in Rural and Urban Area

(Female /Male) Category Wise

Sector	Female	Male	All
Rural	22.24	77.76	100
Urban	18.42	81.58	100
All	20.37	79.63	100

(Source: MSME Annual report,2023-24)

Male-owned enterprises account for **77.76% in rural areas** and **81.58% in urban areas**.

Correspondingly, **female-owned enterprises** represent **22.24% in rural** and **18.42% in urban**.

Interpretation: Female ownership is relatively stronger in rural regions, though male dominance is still clear across both.

Percentage Distribution of Enterprises Owned by Female/Male

Entrepreneurs

Category	Female	Male	All
Micro	20.44	79.56	100
Small	5.26	94.74	100
Medium	2.67	97.33	100
All	20.37	79.63	100

(Source: MSME Annual report, 2023-24)

In the **micro enterprise** segment, women own a notably better share (**20.44%**) compared to **small (5.26%)** and **medium (2.67%)** sectors.

In **Small** and **Medium** groups, female ownership caters sharply to 5.26% and 2.67%, respectively.

Interpretation: As the enterprise size expands, female illustration substantially drops highlighting that women are greater active in micro-level entrepreneurship however face widening gaps as business scale increases.

Financial Obstacles Faced by Women Entrepreneurs of MSME Sectors in Haryana

Women entrepreneurs in Haryana's Micro, Small, and Medium Enterprises (MSME) sector come upon several financial challenges that hinder their business operations and growth. Key issues include:

1. **Limited Access to Financial Credit:** A massive number of women entrepreneurs struggle to acquire financial credit. A report indicates that 47% of women in India's MSME sector face challenges in getting access to financial credit. Additionally, 95% of surveyed women lack awareness of government financial schemes, leading many to depend upon informal lending channels (economictimes.indiatimes.com).
2. **Lack of Awareness of Government Schemes:** Many women entrepreneurs are not knowledgeable about government initiatives designed to help MSMEs. This lack of

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know-how prevents them from leveraging available resources and benefits
(sibe.rpress.co.in).

3. **Inadequate Financial Support from Formal Institutions:** Studies have observed that a huge percentage of women entrepreneurs face challenges in availing loan services from nationalized banks. For example, around 85% of women entrepreneurs reported problems in finding loans from such banks (livemint.com).
4. **Dependence on Informal Lending Channels:** Due to challenges in accessing formal financial services, many women entrepreneurs resort to informal lending channels, which may not always be in their best interest (knnindia.co.in).
5. **Socio-Cultural Barriers:** Societal norms and family responsibilities can limit women's capability to engage fully in entrepreneurial activities. Factors which include lack of family support, cultural obstacles, and a male-dominated society contribute to the challenges faced by women entrepreneurs (academia.edu).

Addressing these challenges requires a multifaceted approach, including enhancing awareness of government schemes, improving access to formal financial services, and creating supportive networks to empower women entrepreneurs in Haryana's MSME sector.

Initiatives Taken by Central Government and State Government (Haryana) For Supporting and Promoting the Women Entrepreneurship in MSME Sector:

1. **Stand-Up India Scheme:** This scheme was launched by the Government of India in 2016 to facilitate bank loans between ₹10 lakh and ₹1 crore to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and at least one woman borrow per bank branch for setting up greenfield enterprises in the manufacturing, services, or trading sectors (<https://www.standupmitra.in/>).
2. **Pradhan Mantri Mudra Yojana (PMMY):** Launched in 2015, this scheme aims to offer funding to the non-corporate, non-farm small/micro enterprises. Women entrepreneurs can avail of loans up to ₹10 lakh under the "Shishu" category without any collateral security requirements (<https://www.mudra.org.in/>).
3. **Mahila Coir Yojana (MCY):** This scheme was launched by the Ministry of Micro, Small and Medium Enterprises to promote women entrepreneurship in the coir sector.

Under this scheme, financial assistance and training are provided to women entrepreneurs for setting up coir units (<https://coirboard.gov.in>).

4. **Support to Training and Employment Programme for Women (STEP):** STEP is a scheme carried out through the Ministry of Women and Child Development to empower women through skill development and employment technology. It gives training and support for women entrepreneurs to establish and grow their businesses (<https:wcd.nic.in/schemes>).
5. **Stree Udyamita Protsahan Yojana:** The Government of Haryana has released this scheme to encourage and support women entrepreneurs. It provides diverse incentives together with interest subsidy, reimbursement of expenses on quality certification, and financial assistance for attending trade fairs and exhibitions (<https://hrywomenhub.gov.in>).
6. **Haryana Women Startup and Entrepreneurship Programme (HWSEP):** This program aims to provide support to women entrepreneurs in Haryana by offering incubation, mentorship, and funding opportunities. It also organizes training programs and workshops to enhance entrepreneurial abilities (<https:hwsep.com/>).
7. **Women Entrepreneurship Promotion Cell (WEPC):** The Haryana Industries and Commerce Department has set up WEPC to provide a platform for women entrepreneurs to community, collaborate, and access resources. It organizes events, seminars, and training programs to promote women entrepreneurship (<https://haryanaindustries.gov.in>).

Conclusion and Policy Recommendations

Women entrepreneurs in Haryana's MSME area function in an environment of developing possibility however persistent financial constraints. Central and state schemes (PMMY/Mudra, WEP, Stand-Up India; Haryana's Matrushakti Udyamita and other women-centric programs) provide a policy foundation, yet gaps in consciousness, access, product design and supportive establishment lessen effectiveness. To support overall performance and inclusion, the following measures are encouraged:

1. **Expand centered credit score merchandise and collateral options:** Scale up micro-loan products with simplified documentation and use of virtual KYC; make bigger credit-guarantee coverage for women-led microenterprises to lessen bank risk aversion.

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2. **Strengthen financial literacy and outreach:** State and district MSME units, in partnership with banks and NGOs, must run localized attention drives (vernacular, women-only sessions) explaining loan products, subsidies and registration (Udyam) processes.
3. **One-stop support: link schemes, incubation and market access:** Create or strengthen district-level women MSME facilitation centres that combine mentoring, market-linkage services and handholding for loan programs reducing time and transaction fees.
4. **Simplify administrative approaches and inspire virtual onboarding:** Continue ease-of-doing-business reforms that lessen document burdens and offer self-certification in which secure, so that small women-owned units can formalize and get entry to formal credit score.
5. **Monitor and examine scheme effectiveness at the state level:** Collect disaggregated administrative data (gender of Udyam registrant, loan take-up by sex of entrepreneur, defaults) to measure impact and refine interventions. This addresses the literature gap on Haryana-unique outcomes.

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