







Volume: 14, Issue: 7(3), July, 2025
Scopus Review ID: A2B96D3ACF3FEA2A
Article Received: Reviewed: Accepted
Publisher: Sucharitha Publication, India
Online Copy of Article Publication Available: www.ijmer.in

WOMEN ENTREPRENEURS IN TELANGANA: CATALYSTS OF ECONOMIC GROWTH AND CULTURAL PRESERVATION IN HANDICRAFTS AND SMALL BUSINESSES

Dr. K.Praneetha

Principal, Governmet Degree College, Cherial

Introduction

Entrepreneurship is widely recognized as a driver of economic progress, and women entrepreneurs are increasingly contributing to this momentum. Women-led enterprises foster innovation, employment, and economic inclusivity, particularly in traditionally underserved sectors. Telangana, with its rich cultural heritage and strong micro, small, and medium enterprise (MSME) sector, has witnessed an increasing participation of women entrepreneurs in handicrafts and small businesses.

Despite the remarkable growth of women entrepreneurship in Telangana, several constraints impede their full economic potential. Access to financial resources, limited market integration, and socio-cultural barriers continue to hinder the progress of women entrepreneurs. However, state-level interventions, evolving financial frameworks, and digital advancements have significantly improved entrepreneurial prospects for women. This study explores the contributions of women entrepreneurs in the handicrafts and small business sectors of Telangana, identifies existing challenges, and evaluates the impact of policy measures designed to enhance women's participation in the economy.

Review of Literature

The impact of women entrepreneurship on economic growth and social development has been extensively studied. According to Samantroy and Tomar (2018), the rise of women entrepreneurs has led to increased employment, poverty alleviation, and economic diversification. Studies indicate that women's participation in entrepreneurship fosters self-reliance, skills enhancement, and innovation, particularly in traditional industries such as handicrafts and small-scale enterprises.

Bharathi (2019) emphasizes the growing role of women entrepreneurs in Telangana's tourism sector, illustrating the potential for female-driven business expansion in cultural and creative industries. Babhulgaonkar et al. (2023) discuss the challenges of small-scale women entrepreneurs engaged in traditional Telangana snack businesses, revealing how informal food processing enterprises contribute to the state's economy while facing structural barriers.

Empirical research specific to Telangana highlights the increasing engagement of women in entrepreneurial activities due to the state's favourable policies, such as the introduction of WE Hub and MSME support mechanisms (Chimbili et al., 2018). However, the literature also reveals persistent structural barriers, including restricted access to credit, limited exposure to formal business networks, and difficulties in scaling operations. Recent studies have demonstrated a positive correlation between technology adoption and the success of women-led enterprises, suggesting that digital literacy is a key determinant in expanding market reach and improving profitability (NITI Aayog, 2022).

Data Analysis

Women entrepreneurs make a significant contribution to Telangana's economic landscape. According to the Ministry of MSMEs, women-owned enterprises constitute approximately 22% of the handicrafts and handloom sector nationwide (NITI Aayog, 2022). In Telangana, women-led businesses are increasingly shaping the local economy by fostering job creation and promoting indigenous crafts.











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Rajyalakshmi and Sreekanth (2024) examine the entrepreneurial competencies of handloom weavers in Telangana, identifying skill gaps and potential interventions for improving business sustainability. Their findings indicate that structured training and enhanced financial literacy could significantly boost women's participation in handloom enterprises.

A report from WE Hub indicates that over 40% of women entrepreneurs in Telangana operate within the small business and handicrafts sectors. These enterprises play a crucial role in ensuring financial independence, preserving artisanal traditions, and promoting cultural tourism. The expansion of digital marketing and e-commerce platforms has further enabled women entrepreneurs to access wider markets. State-backed initiatives, such as Flipkart Samarth, have provided a global marketplace for Telangana's artisans, thereby enhancing profitability and sustainability.

Despite these advancements, the analysis suggests that financial constraints and technological gaps continue to limit the growth potential of women-led enterprises. Greater financial inclusion and investment in digital education can significantly enhance the longevity and competitiveness of women-owned businesses in Telangana.

Government Policies and Initiatives Supporting Women Entrepreneurs

The Telangana government, along with the central government and various organizations, has introduced numerous policies and initiatives to support women entrepreneurs. These measures aim to provide financial assistance, training, market linkages, and an enabling environment for women-led businesses to thrive:

WE Hub (Women Entrepreneurs Hub): Telangana's flagship initiative, WE Hub, was established in 2018 as the first state-run incubator for women. It offers incubation, acceleration programs, mentorship, and access to government schemes and investors for women-founded start-ups. WE Hub also conducts workshops to build entrepreneurial skills and has created a community where women can network and learn from each other. By 2024, WE Hub had incubated hundreds of women-led start-ups and facilitated partnerships (e.g., with corporates like Microsoft and incubators like Atal Innovation Centre) to bolster women's innovation

- State Industrial and MSME Policies: Telangana's new MSME Policy (launched 2022–23) has an explicit focus on women entrepreneurs. It provides incentives such as interest subsidies, tax exemptions, and faster clearances for womenowned units. Notably, the state government plans to establish mini-industrial parks for women in all 119 assembly constituencies, creating dedicated industrial estates where women-led businesses get priority in land allotment and infrastructure. This is expected to dramatically improve women's access to industrial facilities and reduce entry barriers in manufacturing.
- Simplified Business Approvals (TS-iPASS): The Telangana State Industrial Project Approval and Self-Certification System (TS-iPASS) is a single-window clearance system that benefits all entrepreneurs, including women. By simplifying and speeding up the process of registering and starting a business, TS-iPASS makes it easier for women (who may have less experience dealing with bureaucracy) to launch their ventures without excessive delays.
- Targeted Credit Schemes: There are several financial schemes tailored for women entrepreneurs:
 - > Stree Shakti and Dena Shakti Schemes: These bank-led programs offer loans up to ₹20 lakh with concessional interest rates for women entrepreneurs in sectors like agriculture, manufacturing, retail, or small enterprises. They encourage banks to lend to women by providing interest subvention and sometimes credit guarantees.
 - > TREAD (Trade Related Entrepreneurship Assistance and Development): A central scheme implemented in Telangana that provides a **government grant of 30% of project cost** to women through NGOs, with the remainder financed by banks. TREAD also supports training and information counselling to help women in micro enterprises.









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- Mahila Udyam Nidhi: A SIDBI (Small Industries Development Bank of India) scheme which offers **financial** assistance up to ₹10 lakh for women to set up new small-scale ventures or upgrade existing ones. The loans have a long repayment period (up to 10 years with a 5-year moratorium) to ease the financial pressure on new women entrepreneurs.
- > Mudra Yojana for Women: Under the national Mudra loan program for microenterprises, women can avail small loans (Shishu, Kishor, Tarun categories up to ₹10 lakh) without collateral to start tiny businesses such as tailoring units, beauty salons, tuition centers, or handicraft shops. Telangana facilitates Mudra loans through bank outreach programs targeting women, boosting credit flow to female borrowers.
- **Skill Development and Training**: The state has initiated training programs specifically for women in traditional and modern skills. For example, training centre's in apparel manufacturing have been set up (such as a recent program to train 3,000 women in tailoring in Palakurthi, Telangana). The Handlooms and Textiles department runs skill upgradation workshops for women weavers and provides design training to help them innovate on traditional crafts. Additionally, Telangana's new **Young India Skills University** is introducing courses with private industry partners, aiming to include training modules that benefit aspiring women entrepreneurs in various trades
- Market Linkages and E-commerce: Recognizing that market access is a bottleneck, Telangana has forged partnerships to connect women artisans and business owners with broader markets. A notable effort is the WE Hub-Flipkart Samarth partnership, an MoU which enables women artisans, weavers, and handicraft producers across Telangana to onboard as sellers on Flipkart's e-commerce platform. Through this program, women entrepreneurs get assistance in cataloging their products online, free training in e-commerce, and fee waivers for initial months, opening up a pan-India customer base for their goods. The state also organizes and sponsors exhibitions, craft bazaars, and trade fairs (often in collaboration with organizations like the Crafts Council and FICCI Ladies Organization) to help women-led enterprises showcase their products. Marketing support is further provided via initiatives like "Chenetha Santha" (handloom melas) and the promotion of Telangana's handloom brand "TSCO", ensuring women weavers have a steady platform to sell their textiles.
- Institutional Support Networks: Apart from WE Hub, Telangana has active chapters of organizations like CII's Indian Women Network (IWN), Confederation of Women Entrepreneurs (COWE), and ALEAP (Association of Lady Entrepreneurs of Andhra Pradesh, which also supports Telangana). These bodies, often in partnership with the government, conduct capacity-building programs, provide mentorship, and lobby for women-friendly policies. The state government's emphasis on women's entrepreneurship was highlighted in the Economic Survey 2024-25, which praised Telangana's MSME policy and WE Hub for catalysing e-commerce growth among women-led businesses.

Through this multi-pronged support system – financial schemes, policy incentives, incubation, skills and market linkages – Telangana is steadily lowering the barriers for women to start and succeed in businesses. The supportive policies have already led to **increased participation of women across diverse sectors** (from tech and healthcare to handicrafts and agriculture), and are fostering a more inclusive entrepreneurial ecosystem in the state.

Case Studies of Successful Women Entrepreneurs in Telangana

To illustrate the impact of these developments, here are a few case studies of women entrepreneurs in Telangana's handicrafts and small business industries who have achieved notable success:

• Deepa Sanka – Jute Handicrafts and Women's Cooperative: Deepa Sanka from Hyderabad is a social entrepreneur who turned a passion for crafts into a platform empowering hundreds of women. After working on a Ministry of Textiles project promoting jute handicrafts, Deepa founded *Sri Sai Thushar Creations (SSTC)* in 2016, an enterprise producing eco-friendly jute bags and handicraft products. Through SSTC's in-house skill development, she trained and employed underprivileged women in making these products, allowing them to earn livelihoods. Building on this success, Deepa established Prabhavana, India's first women-run multi-state cooperative society focused on natural fibre products. Prabhavana, under Deepa's leadership, has brought together women and even transgender artisans to produce











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items like jute bags, mats, and handicrafts for wider markets. Deepa's vision is to expand Prabhavana nationally to **empower underprivileged women across the country** through self-employment in crafts. Her journey showcases how a woman entrepreneur can blend business with social upliftment – preserving traditional crafts, promoting sustainability, and creating jobs for other women. In recognition of her work, Deepa has collaborated with organizations like the **IKEA Foundation** and received support under government schemes. Today, she stands as a role model in Telangana for leveraging enterprise as a means of women's empowerment and revival of indigenous crafts.

- Mudunuri Varalakshmi Fruit Processing Entrepreneur: Hailing from Telangana's emerging food processing sector, Mudunuri Varalakshmi is the founder of Fruitful, a start-up that processes locally grown figs into jams, preserves and desserts. Seeing an opportunity in value-addition to farm produce, Varalakshmi set up her small processing unit and began creating artisanal fig-based products. She faced early challenges in scaling up notably in marketing and distribution as large retailers charged high fees for shelf space, making it tough for a small woman-led brand to reach consumers. Varalakshmi joined the Her&Now Entrepreneurship Support Programme (a project by GIZ in partnership with Telangana's WE Hub) to overcome these hurdles. Through the program, she received training in business diversification and mentorship on expanding market reach. As she recounts, being part of Her&Now enabled her to explore new product lines and distribution channels, improving her business model and confidence. After completing the program, Fruitful has expanded its range of fig products and tapped into niche markets that value natural and local fruit preserves. Varalakshmi's success story underscores the importance of institutional support and mentoring for women entrepreneurs. With the right guidance, she transformed a cottage enterprise into a growing business that adds value to local agriculture and provides employment to a few other women in her community involved in sourcing and production.
- Sudha Rani Mullapudi Handloom Social Enterprise Leader: Sudha Rani Mullapudi is the co-founder and CEO of Abhihaara Social Enterprise, based in Hyderabad, which is dedicated to sustaining handloom and craft-based livelihoods by enabling women producers. With two decades of experience in rural development, Sudha started Abhihaara in 2015 to support everyone in the cotton handloom supply chain – from cotton farmers and weavers to dyers and garment makers – with a special focus on women artisans. Abhihaara has taken a holistic approach: it has **trained** 403 rural women in garment stitching under a government program, ensured regular income for women weavers by connecting them with urban markets, and revived interest in traditional weaves like Pochampally ikat and Gadwal sarees among younger generations. Sudha herself was inspired by watching her mother and other women wear beautiful handloom sarees, and she was determined to prevent these traditions from dying out. Through Abhihaara, she has built a bridge between rural women weavers and contemporary consumers – including organizing exhibitions, selling online through e-commerce partnerships, and even arranging "craft tours" where buyers visit weavers' villages. By 2021, Sudha's efforts had not only created a unique brand for Telangana's handloom products but also supported at least 100 women in sustainable livelihoods annually. She has been recognized with awards like "Enterprising Woman of the Year 2019" and Abhihaara was showcased at international forums (e.g., Global Entrepreneurship Summit 2017). Sudha Mullapudi's case exemplifies how women entrepreneurs in Telangana's craft sector are innovating with social business models – preserving heritage, empowering fellow women, and achieving commercial success.

These case studies demonstrate the diverse ways women in Telangana are leading enterprises in handicrafts and small businesses. From transforming waste into décor (as with entrepreneur Renu Rao's recycling initiative) to retailing handwoven fashion (Rama Rebbapragada's Studio Rama), women are making their mark in traditionally male-dominated business domains. Their stories highlight common threads: passion for a craft or idea, perseverance through challenges, and the positive impact of supportive ecosystems (training programs, cooperatives, incubators) in scaling their success. Each of these women has, in turn, become a source of inspiration and mentorship for other aspiring entrepreneurs in the region.









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Future Prospects and Recommendations for Strengthening Women-Led Businesses

The future for women entrepreneurs in Telangana's handicraft and small business sectors is promising, provided that current efforts are sustained and new support mechanisms are introduced. Here are some future prospects and recommendations to further strengthen women-led businesses:

- Infrastructure and Cluster Development: The state's plan to establish women-focused industrial parks in every constituency is a game-changer. Ensuring the timely development of these mini-industrial parks with appropriate facilities (common workspaces, creches, training centres, worker hostels) will address many infrastructure barriers women face. For handicrafts clusters, creating dedicated Common Facility Centres (with shared equipment like looms, dyeing units, quality testing labs) and craft villages can boost productivity and innovation. Special economic zones or emporiums for women-made products (e.g., a permanent handicrafts marketplace in Hyderabad) could give women artisans year-round market access.
- Enhanced Access to Finance and Incentives: While there are credit schemes, more needs to be done to close the financing gap. Strengthening financial inclusion for women entrepreneurs is key for example, expanding collateral-free lending through Stree Nidhi Credit Cooperatives and microfinance tailored to enterprise needs, and increasing the reach of the Mudra loan program in Telangana's towns and villages. The government and banks can consider setting aside a percentage of MSME credit exclusively for women (a "gender credit quota") and provide interest subvention or credit guarantee support to encourage lending to first-time women entrepreneurs. Additionally, extending seed funding grants or start-up capital specifically for women (perhaps through a state Women Entrepreneurship Fund) would help many get off the ground. Tax incentives or procurement preferences for women-owned businesses (as already hinted in the MSME policy) should be effectively implemented to encourage more women to formalize and grow their businesses.
- Policy Enforcement and Monitoring: Telangana should monitor the implementation of its women-centric schemes to ensure they reach the intended beneficiaries. Regular feedback from women entrepreneurs can help in fine-tuning policies. For instance, if many women are not availing a loan scheme due to cumbersome paperwork, procedures should be simplified. Also, setting measurable targets such as increasing the percentage of women-owned businesses in Telangana from the current 3.1 per 1,000 women to, say, 6 per 1,000 in five years can drive focused action and resource allocation. Aligning state efforts with national initiatives like the NITI Aayog's Women Entrepreneurship Platform (WEP) will also bring additional resources and exposure to Telangana's women.

Looking ahead, the convergence of supportive policy, increasing skill levels, and strong grassroots motivation suggests that Telangana will continue to be a fertile ground for women-led enterprises. If the recommended steps are pursued, we can expect to see **more women-owned start-ups scaling up beyond the micro stage**, greater representation of women in high-value industries, and robust growth of community-based businesses in crafts and small-scale manufacturing. The impact will be multifold – economically, it would mean higher incomes and more jobs, and socially, it translates to empowerment of women and more equitable development. In the words of a local industry leader, "Our economy and society reach their full potential only when women are empowered". Telangana's experience so far shows the truth of that statement, and with continued commitment, women entrepreneurs will indeed become a driving force for the state's prosperity and cultural vitality.

Conclusion

Women entrepreneurs in Telangana's handicrafts and small business sectors serve as catalysts of economic growth and cultural preservation. Despite existing challenges, targeted policy interventions, financial support mechanisms, and technological advancements can ensure their sustained success. Strengthening the entrepreneurial ecosystem through inclusive policies and capacity-building initiatives will further empower women-led enterprises, fostering long-term economic resilience and social transformation.









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