**Minnesota Journal of Business Law and Entrepreneurship**

**Volume 2026, No. 1**

**ISSN: 1540-3270**

# Institutional Barriers, Economic Capabilities, and Women's Market Participation in India: Legal and Policy Implications for Entrepreneurship and Markets

**[1]Prof. (Dr.) Sujata Shahi, [2]Dr. Gurpreet Singh Bhatia, [3]Dr. Shruti Gill**

[1]Professor, Transit Campus, Shri Vishwakarma Skill University,

2nd and 3rd floor Plot N, Palwal, Haryana 121102

[2]Professor, IILM Lodhi Road

3, Lodhi Institutional Area, Lodhi Road, New Delhi-110003

[3]Associate Professor, IILM Lodhi Road

3, Lodhi Institutional Area, Lodhi Road, New Delhi-110003

**Abstract**

Women's market participation in India remains low despite emphasis on gender-inclusive policies. India holds 131st position out of 148 nations in gender inequality index (Global Gender gap Report, 2025). The main obstacles towards gender equality are identified as social norms, poor literacy rate, fewer women in science jobs, and little bank access. This study examines how formal legal frameworks and informal institutions shape women's market participation in India. There are barriers in the area of financial inclusion and access to education and digital literacy. Using policy and institutional analysis, this study applies a capability-institutional framework to analyze women's empowerment at the state level in India. The analysis reveals that while women's access to education and financial access has improved, institutional constraints weaken their capabilities. The findings highlights the gaps between prevalent legal guarantees and informal institutional practices. This study argues that these differences create market inefficiencies. These constraint women's participation in labor and credit markets. Recommendations of the study include educational reforms, targeted financial literacy programs, and policies to increase female representation in decision-making.

**Keywords:** Gender Equality, Financial Freedom, Women's Empowerment, Financial Inclusion, Education Access, Entrepreneurship.

**JEL Codes:** J16 (Economics of Gender), O15 (Economic Development: Human Resources), D63 (Equity, Justice, Inequality, and Other Normative Criteria and Measurement), P16 (Political Economy)

## INTRODUCTION

Women have historically been denied fundamental rights to education, healthcare, and political participation, and they have faced widespread violence and exploitation[1]. In India, although women's workforce participation increased to 37% in 2022–23 from 32.8% in 2021–22[2], they continue to earn, on average, 20% less than men for comparable work[3]. Their underrepresentation in leadership roles also remains striking, with women holding only

[1] *Progress of the World's Women 2019-2020: Families in a Changing World.* , https://www.unwomen.org/en/digital-library/publications/2019/06/progress-of-the-worlds-women-2019-2020

[2] PLFS, MoSPI, February 2024, https://www.mospi.gov.in/annual-report-periodic-labour-force-survey-plfs-2023-24

[3] ILO, The Gender Pay Gap, April 2024, https://www.ilo.org/resource/other/gender-pay-gap

33.5% of senior management positions in the corporate sector[4], compared to men. Despite a rise in women's literacy to 70.4%[5], a significant gap persists compared to the male literacy rate of 84.7%[6].

These trends highlight the need for targeted interventions to enhance women's access to credit, digital infrastructure and financial literacy. Policymakers need to focus on capacity-building programs to enable women to take full advantage of financial and digital tools for achieving economic independence. Table 1.1 shows these divides amongst genders in India.

The existing literature has extensively examined women's labor participation in India from economic and sociological perspectives (Silva & Klasen, 2021). There are limited studies that integrate regulatory, institutional, and capability-based analyses of women labor participation at the state level (Agarwal, 2021). This study argues that institutional barriers constraint market entry. Gender gap in India persists due to institutional and structural constraints that prevent women from converting economic capabilities into market participation.

From a regulatory and legal perspective, there is a persistence of gender inequality despite formal legal protections. Legal framework alone are not sufficient to ensure women's participation in labor markets and entrepreneurial activity. This paper addresses this gap by examining how institutional structures affect women's economic capabilities and market participation in India. The study highlights how regulatory framework and socio/economic norms interact to influence women's entry into labor force. These insights are relevant for policymakers and regulators in designing policies conducive for entrepreneurship.

The study proceeds as follows. Section 2 outlines the institutional and legal framework governing women's economic participation in India. Section 3 presents an analysis of gender disparities in economic capabilities and labor market participation across Indian states. The final section concludes the paper by summarizing the key findings and discussing their implications for policy and women's economic empowerment.

**Table 1.1 Financial and Digital Inclusion of Women in India (NFHS-4 vs. NFHS-5)**

| Indicator | NFHS-4 (2015–16) (%) | NFHS-5 (2020–21) (%) | Additional Insights |
|---|---|---|---|
| Women with a Bank or Savings Account | 53 | 79 | Accounts used by women themselves. |
| Awareness of Microcredit Programs | 41 | 51 | Awareness has improved over time. |
| Women Who Have Taken a Microcredit Loan | N.A. [7] | 11 | Higher in rural areas (12%) than urban areas (9%). |
| Women Owning and Using a Mobile Phone | N.A. | 53.9 | Usage indicates access disparities. |
| Women with Mobile Phone Literacy | N.A. | 71 | Can read text messages. |
| Women Using Mobile Phones for Financial Transactions | N.A. | 22.5 | Highlights limited digital adoption. |

[4] The global picture: Women in Business 2024, https://www.grantthornton.global/en/insights/women-in-business/the-global-picture/

[5] PLFS, MoSPI, February 2024, https://www.mospi.gov.in/annual-report-periodic-labour-force-survey-plfs-2023-24

[6] Annual Report Periodic Labor Force Survey (PLFS) July 2023-June 2024, https://mospi.gov.in/sites/default/files/publication_reports/AnnualReport_PLFS2023-24L2.pdf

[7] N.A. implies data is not available.

Source: Ministry of Health and Family Welfare, Government of India. (2020). *National Family Health Survey (NFHS-5), 2019-21 India Report, retrieved from: https://dhsprogram.com/pubs/pdf/FR375/FR375.pdf and Ministry of Health and Family Welfare, Government of India. (2016). National Family Health Survey (NFHS-4), 2015-16: India Report. Retrieved from https://dhsprogram.com/pubs/pdf/fr339/fr339.pdf*

This study contributes to business law and entrepreneurship literature by demonstrating how institutional provisions transform formal legal equality into effective economic participation. It addresses gender-based market inefficiencies in India.

## 2. Background and Institutional–Legal Framework

The study draws on the capability approach developed by Sen (1985, 1999). It considers development as reflection of individuals' capabilities to achieve valued functioning. In this study, functionings are represented by education, employment, or participation in economic activities. Valued functionings are the outcomes that individuals value, such as economic independence, entrepreneurial participation, and decision-making ability.

### 2.1 Constitutional and Legal Commitments to Gender Equality

This section highlights women's market participation in India in the context of regulatory, constitutional and institutional framework. There are constitutional guarantees and various legislative efforts[8]in India. But significant gender disparities persist in education, employment, and access to financial services. India holds 131st position out of 148 nations in gender inequality index (Global Gender gap Report, 2025), thus there are deep inequalities[9] in gender in India.

The provision of equal opportunities benefits society. This fosters economic growth through increased female workforce participation, innovation, and productivity. World Economic Forum (2022) report says that that women's participation in the economy drives growth and this leads to greater innovation. This is because diverse teams bring varied perspectives that enhance problem-solving and creativity.

India's legal framework that determines women's economic market participation provides constitutional guarantees of equality and non-discrimination. There is also a statutory mediation in labor regulation, education, and financial inclusion. There are labor statutes under the Code on Wages and Code on Social Security (Government of India, 2019; Government of India, 2020). Regulatory initiatives are led by led by the Reserve Bank of India (RBI) to enhance financial access for women (RBI, 2021). India's constitutional framework has provisions against gender discrimination. Articles 14, 15, and 16 of the Constitution provides recourse to gender equality in education, employment, and access to economic opportunities.

World Bank (2022[10]) identifies how gender biases subject girls to various barriers such as child marriage, teenage pregnancy, domestic work responsibilities, limited educational & healthcare opportunities and increased risks of sexual abuse and violence. The solution to these problems requires enabling how society values girls and women. Studies indicate that gender inequality hinder economic advancement in India. Silva and Klasen (2021) demonstrate that gender-based differences in educational opportunities and labor force engagement as well as decision-making power limited women's economic input which in turn diminishes national productivity and economic growth. The authors state that solving gender inequality serves both social justice purposes and boosts economic performance while promoting sustainable growth.

[8] https://www.india.gov.in/my-government/constitution-india/amendments/constitution-india-seventy-third-amendment-act-1992

[9] https://pib.gov.in/PressReleasePage.aspx?PRID=2014513

[10] World Bank Group, *World Development Report 2022*

The patriarchal system has caused widespread discrimination and marginalization of women. Men in patriarchal systems control political leadership roles, social privileges and moral authority while maintaining property ownership which established major obstacles to women achieving gender equality and financial independence (ibid.). The social structure has maintained discriminatory practices against women which blocks their progress to better positions (Kabeer, 2005).

Discriminatory laws and policies created by patriarchal systems financially disadvantage women. Cultural inheritance rules prefer male successors while blocking women from receiving equal shares of family property (World Bank, 2022). The patriarchal system expresses itself through gender-based violence which in turn restricts women's financial autonomy. Domestic violence victims frequently endure economic abuse which involves their partners restricting their financial resources, thus preventing their economic independence and maintaining their poverty dependency cycle (Peterman et al., 2020).

The patriarchal system in India has impacted many aspects of life, such as political leadership, economic opportunities, and social norms. The prevalence of male dominance in these fields has created systemic inequalities that restrict women's involvement and progress, reinforcing gender disparities throughout the country (Bhatnagar, 2024). By breaking down these patriarchal structures, society can foster a more equitable and inclusive environment, allowing women to fully tap into their economic potential and attain financial independence.

**Table 2.1 Statistical Data and Insights: Family Structure, Gender Roles, Workplace, and Education**

| Category | Statistic | Statistical Data and Insights |
|---|---|---|
| **Family Structure & Gender Roles** | 27% of women aged 20-24 were married before the age of 18. | NFHS-5 (2019-2021) |
| | Only about 15% of women have final say in health care decisions; 33% have decision-making power regarding purchases. | Ibid. |
| | 55% believe men should be breadwinners, 56% believe women should manage the home. | Pew Research, 2020 |
| **Workplace Participation** | Women hold 14% of leadership positions in India | Grant Thornton, 2021 |
| | Women earn about 22% less than men for similar work. | ILO (2020) |
| **Education** | Women's literacy rate is about 65%; men's literacy rate is approximately 82% | Census 2011 |
| | Girls' enrollment in primary education is approximately 93%; drops to about 30% in higher education. | Ministry of Education (2021) |

Sources: Authors analysis based on respective sources

### 2.2 Financial Inclusion Architecture and Regulatory Context

This study adopts a capability-institutional framework. Whereas formal institutions create pillars of rights, informal institutions determine how these rights are exercised. Financial inclusion has emerged as a significant concern in India. According to the World Bank's Global Findex 2021, only 78% of adults in India possess a financial account[11]. Strikingly, there are notable gender disparities in account inactivity: 32% of women's accounts remain inactive compared to 23% of men's[12]. Moreover, unbanked women are 10% less likely to report financial confidence, and women in general are 13 percentage points less likely than men to use their accounts for digital payments.[13]

In their saving habits, 45% of women save through informal methods like savings clubs, while only 27% of men do the same[14]. Men are much more likely than women to have saved in accounts at all (41% vs. 28%)[15]. The ownership of mobile phones is also vastly skewed, limiting the potential for mobile and digital banking; 56% of women own a mobile phone versus 75% of men, creating a gap of 19 percentage points[16]. A digital gender divide persists and continues to hinder the financial and social empowerment of women. While 71% of women with phones are able to read text messages, digital literacy challenges limit uptake of broader forms of mobile banking.[17]. Studies have found that if women have access to finance, they are more likely to invest in their children education, health, and welfare which led to broader economic growth (Field et al., 2021; Jack & Suri, 2014).

Mobile banking and online transactions facilitate payments in a secure and transparent manner. These digital financial services help in directly depositing funds into women's accounts. This in turn mitigates the risk of misappropriation and give women higher control over financial resources (Arnold & Gammage, 2019).

There have been regulatory initiatives of the RBI towards India's financial inclusion. These aim to expand access to banking, credit, and digital financial services. Programs such as the *Pradhan Mantri Jan Dhan Yojana* and Direct Benefit Transfers have significantly increased women's bank account ownership in India.

RBI concluded that states with greater proportion of women tend to exhibit lower level of financial inclusion (RBI, 2021). This reduces women's ability to access credit and dents their desire to enter entrepreneurship market.

### 2.3. Governance in Education at the State Level

Access to education is an important mean in empowering women. It allows them to engage in social, economic, and political life. But they encounter significant obstacles to education, especially in rural regions. In these regions there are deep-rooted gender biases and cultural norms that prevent them from accessing educational opportunities. The recent report titled "Women and Men in India 2023" released by the Ministry of Statistics and Programme Implementation (MoSPI), points out ongoing issues, such as the preference for boys' education, which has led to stark differences in educational achievement between genders.

An analysis of the 2017-18 National Sample Survey data reveals notable disparities in literacy rates between men and women across various Indian states. There is variation in gender gap in literacy amongst states. For instance, Bihar has a gender gap of 19.2 percentage points (MoSPI, 2023, Table 2.2). Rajasthan exhibits a concerning

[11] https://www.worldbank.org/en/publication/globalfindex
[12] https://www.worldbank.org/en/publication/globalfindex

[14] https://www.worldbank.org/en/publication/globalfindex
[15] https://www.worldbank.org/en/publication/globalfindex
[16] https://www.worldbank.org/en/publication/globalfindex

[17]Ministry of Health and Family Welfare, Government of India. (2020). *National Family Health Survey (NFHS-5), 2019-21 India Report, retrieved from: https://dhsprogram.com/pubs/pdf/FR375/FR375.pdf*

gender gap of 23.2 percentage points. Chhattisgarh, Jharkhand, and Jammu & Kashmir also report significant gaps in literacy rates of 16.7, 18.3, and 17.7 percentage points, respectively (MoSPI, 2023, Table 2.2).

Kerala has the smallest gender gap at 2.2 percentage points, indicating a more equitable access to education for both genders. Andhra Pradesh, Assam, Haryana, and Punjab follow with smaller gender gaps of 13.9, 8.9, 16.7, and 10.0 percentage points, respectively (MoSPI, 2023, Table 2.2). These variations among states gaps create constraints for women-led enterprises. These differences highlight the necessity for targeted interventions.

**Table 2.2: Top 5 and Bottom 5 States: Gender Gap in Literacy Rates (2017-18)**

| Rank | State | Gender Gap (%) |
|---|---|---|
| Top 5 (Highest Gap) | | |
| 1 | Bihar | 19.2 |
| 2 | Rajasthan | 23.2 |
| 3 | Chhattisgarh | 16.7 |
| 4 | Jharkhand | 18.3 |
| 5 | Jammu & Kashmir | 17.7 |
| Bottom 5 (Lowest Gap) | | |
| 1 | Kerala | 2.2 |
| 2 | Andhra Pradesh | 13.9 |
| 3 | Assam | 8.9 |
| 4 | Haryana | 16.7 |
| 5 | Punjab | 10.0 |

Source: Derived from Ministry of Statistics and Programme Implementation (MoSPI). (2023). *Women and Men in India 2023*

A gender analysis of youth literacy rates (ages 15-24) from the 2017-18 National Sample Survey reveals significant inequalities in educational attainment across India. The report highlights the top five states with the highest female youth literacy rates. Lakshadweep, Goa, Chandigarh, Kerala, and Daman & Diu show nearly universal literacy among young women, with rates at or exceeding 98% (MoSPI, 2023, Table 2.3a). This indicates relatively equitable access to education for young women in these areas.

The report also presents the five states with the lowest female youth literacy rates. Bihar exhibits the most considerable disparity, with a female literacy rate of only 81.7%, followed closely by Rajasthan and Arunachal Pradesh. Jharkhand and Uttar Pradesh also show significantly lower female youth literacy rates compared to the top-performing states (MoSPI, 2023, Table 2.3b). This notable gender gap in literacy highlights critical barriers that hinder young women in these states from accessing education. These disparities call for targeted interventions to enhance access to and completion of education for girls, addressing the unique challenges faced by young women in these regions.

**Table 2.3a:**

**Top 5 Indian States with Highest Female Youth Literacy Rates (Ages 15-24, 2017-18)**

| Rank | State | Female Literacy Rate (%) |
|---|---|---|
| 1 | Lakshadweep | 100.0 |
| 2 | Goa | 100.0 |
| 3 | Chandigarh | 98.5 |
| 4 | Kerala | 99.8 |
| 5 | Daman & Diu | 100.0 |

Source: Derived from Ministry of Statistics and Program Implementation (MoSPI). (2023). *Women and Men in India 2023*

**Table 2.3b:**

**Bottom 5 Indian States with Lowest Female Youth Literacy Rates (Ages 15-24, 2017-18)**

| Rank | State | Female Literacy Rate (%) |
|---|---|---|
| 1 | Bihar | 81.7 |
| 2 | Rajasthan | 84.1 |
| 3 | Arunachal Pradesh | 88.5 |
| 4 | Jharkhand | 90.9 |
| 5 | Uttar Pradesh | 87.7 |

Source: Derived from Ministry of Statistics and Program Implementation (MoSPI). (2023). *Women and Men in India 2023*

**Table 2.4: Gender Disparity in Postgraduate Enrolment (2021-22): Selected Disciplines**

| Discipline | Male Enrollment | Female Enrollment | Female % of Total |
|---|---|---|---|
| Engineering & Technology | 173,950 | 55,968 | 24.4% |
| Commerce | 518,631 | 319,559 | 38.5% |
| Medical Science | 1,705,701 | 983,299 | 36.5% |
| Arts | 12,3388 | 71,917 | 36.9% |

Source: Derived from Ministry of Statistics and Programme Implementation (MoSPI). (2023). *Women and Men in India 2023*

An analysis of enrolment data for Ph.D., M.Phil., and postgraduate programs during the 2021-22 academic year highlights notable gender disparities across different disciplines in India. While specific numbers for each discipline are provided in Table 2.4 (MoSPI, 2023, Table 2.4), several overarching trends are evident. In general, female enrolment is lower than that of males in most subjects, with the gap particularly significant in certain areas. For instance, in engineering and technology, the difference is marked, as fewer women pursue postgraduate studies. Underrepresentation of women in this field has implications for innovation-led entrepreneurship.

On the other hand, women show higher enrolment rates in some arts and education-related fields, although their overall numbers still lag behind those of men (MoSPI, 2023, Table 2.4).

**Table 2.5: Gender Disparity in Undergraduate Enrolment (2021-22): Selected Disciplines**

| Discipline | Male Enrollment | Female Enrollment | Female % of Total |
|---|---|---|---|
| Engineering & Technology | 3,904,516 | 1,137,819 | 22.5% |
| Commerce | 4,408,236 | 2,079,354 | 32.2% |
| Medical Science | 1,705,701 | 983,299 | 36.6% |
| Arts | 11,327,741 | 5,744,439 | 33.6% |

Source: Derived from Ministry of Statistics and Programme Implementation (MoSPI). (2023). *Women and Men in India 2023*

An analysis of undergraduate enrolment data from 2021-22 highlights notable gender disparities across various fields in India. Table 2.5 shows several key trends. In several disciplines, the number of male undergraduates is significantly higher than that of their female counterparts. In commerce, the number of female students is considerably lower than that of male students. Women have higher enrolment in fields such as arts, education, and medical science.

A comprehensive approach is needed to effectively tackle the challenges encounter by women in higher education. This approach includes implementing targeted initiatives. These are mentorship programs, scholarships, and outreach efforts to promote their participation in underrepresented fields like STEM. Additionally, it is vital to confront societal norms and stereotypes that limits women's aspirations through awareness campaigns and educational initiatives. Ensuring equal access to quality education, especially for marginalized groups, and investing in the necessary infrastructure and support systems are also critical steps. Institutions need to foster supportive environments with flexible learning options.

Highlighting successful female role models in STEM and other fields could inspire future generations. Additionally, implementing policy changes like quotas and anti-discrimination laws are crucial for promoting gender equality in education and the workforce. By embracing these strategies, India could create a more inclusive and empowering educational environment for women, tackling the underlying issues of gender inequality and encouraging sustainable progress.

**Table 2.6: Trend in Female Teachers per 100 Male Teachers (2012-13 to 2021-22)**

| Educational Level | Trend |
|---|---|
| Primary (I-V) | Consistently above 100, slight increase over time |
| Upper Primary (VI-VIII) | Gradually increasing, but remains below 100 |
| Secondary (IX-X) | Gradually increasing, but remains below 100 |
| Higher Secondary (XI-XII) | Gradually increasing, but remains significantly below 100 |

Source: Derived from Ministry of Statistics and Programme Implementation (MoSPI). (2023). *Women and Men in India 2023*

Table 2.6 above provides insights into the number of female teachers for every 100 male teachers across different educational levels from 2012-13 to 2021-22. A closer look at this data highlights both encouraging and troubling trends regarding gender representation in the teaching field. At the primary level (classes I-V), the number of

female teachers per 100 male teachers consistently surpass 100 during this period, showcasing a higher ratio of female educators. This trend underscores the greater presence of women in primary education.

As we examine higher educational levels (upper primary, secondary, and higher secondary), the ratio of female teachers per 100 male teachers shows a notable decline. This points to a continuing gender imbalance in teaching roles at these advanced levels of education.

To improve gender balance in the teaching profession across all levels, strategies need to be implemented to tackle barriers, enhance recruitment efforts, establish mentorship programs, and promote leadership opportunities. These initiatives include identifying and addressing challenges that affect women's recruitment and retention in teaching, such as gender pay disparities, insufficient support for work-life balance, and non-inclusive hiring practices. Targeted campaigns need to be launched to attract more women to the teaching profession, particularly in STEM fields and at higher educational levels.

**Table 2.7a: Top 5 Indian States with the Highest Proportion of Female Tertiary Education Faculty (Average 2018-19 to 2021-22)**

| Rank | State | Average Proportion of Female Faculty (%) |
|---|---|---|
| 1 | Kerala | 60.4 |
| 2 | Manipur | 49.0 |
| 3 | Meghalaya | 55.8 |
| 4 | Punjab | 56.5 |
| 5 | Tamil Nadu | 40.7 |

**Table 2.7b: Bottom 5 Indian States with the Lowest Proportion of Female Tertiary Education Faculty (Average 2018-19 to 2021-22)**

| Rank | State | Female Literacy Rate (%) |
|---|---|---|
| 1 | Bihar | 81.7 |
| 2 | Rajasthan | 84.1 |
| 3 | Arunachal Pradesh | 88.5 |
| 4 | Jharkhand | 90.9 |
| 5 | Uttar Pradesh | 87.7 |

Source: Derived from Ministry of Statistics and Programme Implementation (MoSPI). (2023). *Women and Men in India 2023*

An analysis of the proportion of female faculty members in higher education across Indian states, based on data averaged from 2018-19 to 2021-22 (Table 2.7a) reveal notable regional differences. The table identifies the top five states with the highest average proportion of female faculty. Kerala leads with a significant 60.4%, suggesting a relatively better representation of women among tertiary education teachers and professors. Manipur, Meghalaya, Punjab, and Tamil Nadu also report above-average proportions of female faculty members.

Table 2.7b displays the bottom five states with the lowest average proportions of female faculty. Bihar records the lowest percentage at 20.8%, highlighting a considerable gender imbalance in its tertiary education faculty.

Uttar Pradesh, Jharkhand, Andhra Pradesh, and Madhya Pradesh also exhibit significantly lower proportions of female faculty members.

**2.4 Labor Regulation, Informality, and Gendered Outcomes**

Despite making up about 24% of the labour force compared to 75% for men, Indian women encounter considerable obstacles in market participation due to discriminatory practices and unequal pay. Data shows that women earn, on average, 33% less than men for the same work (International Labour Organization, 2022). This wage gap not only hinders women's financial independence but also discourages them from entering or staying in the workforce.

Access to financial resources is another challenge that women faced in improving their market participation. According to the Gender, Institutions, and Development Database (GID-DB), women-owned businesses receive just 6% of total bank loans in India, severely restricting their ability to invest in and expand their enterprises (GID-DB, 2023). The lack of collateral, financial literacy, and networking opportunities further limit women's access to capital, stifling entrepreneurship and economic independence.

Many women are concentrated in low-wage and informal sectors, where job security and benefits are minimal. Approximately 83% of working women in India are employed in the informal sector, which included agriculture, domestic work, and low-skilled labour (International Labour Organization, 2022). This concentration restricts their access to formal contract enforcement, institutional credit, social security protection and benefits associated with formal organizations.

According to the latest Periodic Labour Force Survey (PLFS) 2023-24 by the National Sample Survey Office (NSSO), the Worker Population Ratio (WPR), reveals that males have a significantly higher WPR than females in both rural and urban areas.

**Table 2.8: Worker Population Ratio (WPR) in India: Gender and Area-Wise Comparison for Top 10 States and All India for 2023-24**

| State | Male Rural (%) | Female Rural (%) | Male Urban (%) | Female Urban (%) |
|---|---|---|---|---|
| Andhra Pradesh | 75.2 | 37.5 | 70.1 | 22.8 |
| Bihar | 73.4 | 7.2 | 68.5 | 6.5 |
| Gujarat | 78.1 | 24.3 | 74.2 | 15.6 |
| Karnataka | 76.5 | 36.2 | 72.3 | 20.4 |
| Kerala | 68.9 | 25.7 | 65.4 | 22.3 |
| Madhya Pradesh | 75.8 | 32.1 | 71.5 | 14.8 |
| Maharashtra | 77.2 | 38.4 | 73.1 | 18.9 |
| Rajasthan | 74.5 | 27.3 | 70.2 | 12.7 |
| Tamil Nadu | 74.8 | 41.2 | 70.5 | 23.5 |
| Uttar Pradesh | 72.9 | 15.4 | 68.7 | 9.8 |
| All India | 76.3 | 40.3 | 60.8 | 52.0 |

Source: Derived from Ministry of Statistics and Programme Implementation. (2023). *Periodic Labour Force Survey (PLFS) 2023-24*. Government of India. Retrieved from https://www.mospi.gov.in

The Worker Population Ratio (WPR) data for 2023-24 show notable differences in employment trends across various states, genders, and regions. Referring to Table 2.8, Andhra Pradesh has the highest WPR for males in rural areas at 75.2%, and it also demonstrates significant female involvement in rural employment at 37.5%. On

the other hand, Bihar records the lowest female rural WPR at just 7.2%, underscoring a significant gender gap in rural employment. Male participation is generally higher in both rural and urban settings across most states, with Gujarat and Maharashtra reporting impressive rural male WPRs of 78.1% and 77.2%, respectively. However, urban areas typically exhibit lower female participation, with Tamil Nadu leading at 23.5% and Andhra Pradesh at 22.8%.

Overall, India's WPR is 58.2%, with males making up 76.3% and females only 40.3%. Rural areas have a higher WPR of 60.8% compared to urban areas at 52.0%, reflecting the reliance of the rural economy on agricultural and informal sector jobs. While some states, such as Andhra Pradesh and Maharashtra, display relatively balanced gender participation in rural areas, the gender gap remain pronounced in many others, especially in rural sectors. Urban areas were more inclusive of different genders, yet there was still significant potential for improvement, particularly for women, as evidenced in states like Bihar and Uttar Pradesh.

This creates structural barriers to labour market entry and creditworthiness entrepreneurship, .

### 2.5.1 Equality and Regulatory Design

The preceding sections in this study demonstrate that there is a comprehensive legal framework in India to promote gender equality. There are constitutional guarantees against the discrimination. The regulatory framework in India is conducive for expanding women's access to education, banking service, and market participation.

However, the data in the study shows that there is a gap between the provisions of market women participation in India and the actual market outcomes. Women have witnessed increased financial inclusion but this is not concomitant with their actual economic engagement. The regulatory framework is prevalent but structural constraints prevent women to be active participant in markets.

### 2.5.2 Informal Institutions and Market Outcome

Informal institutions such as social norms, household structures, and gender-based expectations influence women's economic participation in India. While formal legal frameworks facilitate equality, informal institutional practices determine how these rights are exercised in practice. Prevalent patriarchal norms restrict women's decision-making power, mobility, and access to resources, thereby limiting their participation in labor market.

In many households, women continue to bear a share of unpaid work, which reduces their ability to engage in formal entrepreneurial activity. Thus, women are often confined to informal and low-paid sectors with limited job security and legal protection.

There are persistent gaps between legal equality and actual market outcomes. These institutional constraints hinder women's capabilities of active economic participation and entrepreneurship.

## 3. Conclusion

This study highlights the challenges in achieving gender equality for women in India. There are gender gaps in areas such as education, employment, and financial inclusion. This is attributed to deeply rooted societal norms, patriarchal systems, and unequal access to resource. There has been a progress, particularly in the rise of financial account ownership. Still, considerable gaps still exist, especially in access to credit and digital financial literacy.

Discriminatory practices in the workplace results in lower wages. Women also experience a lack of representation in leadership roles. There is unequal access in higher education and STEM fields. There is a gender divide on access to financial services and digital tools necessary for economic empowerment. Tackling these issues requires policy reforms, targeted interventions, and a shift in societal norms. Key elements include educational reforms, specialized financial literacy programs, and initiatives aimed at increasing female representation in decision-making positions. It is imperative to strengthen support systems within educational institutions.

From a business law and entrepreneurship perspective, the findings of this study offer important suggestions. There should be a synergy between provision of formal legal guarantees of equality and institutional mechanisms that empower women. This helps translate their capabilities into effective market participation.

Regulatory reforms should focus on improving women's access to credit, strengthening digital financial infrastructure, and promoting gender-inclusive labor market policies. This would enable women in India to participate more fully in markets and contribute to broader economic development.

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