

Tax Rebates and Fiscal Support for Women Entrepreneurs, Women Artisans and Women in Small-Scale Businesses in India

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Abstract

Women entrepreneurs, artisans and small-business owners make an important contribution to India's economy. They create income, provide jobs, preserve traditional skills and support local communities. Yet many women-owned businesses remain very small. They often face problems such as lack of money, limited collateral, family duties, weak market access, low digital knowledge and difficulty understanding tax and registration rules. This research paper studies whether tax rebates and other forms of fiscal support can help such businesses grow. The study uses secondary research. Information was collected from government portals, official scheme documents, tax guidance and published reports. The paper reviews income-tax relief, presumptive taxation, GST rules, Startup India tax benefits, Stand-Up India, the Prime Minister's Employment Generation Programme, PM Vishwakarma and women-focused MSME support. The study finds that India has many useful schemes, but most support is given through loans, subsidies, guarantees, training or simpler compliance rather than through a clear women-specific tax rebate. It also finds that income-tax rebates may not help the poorest artisans because many of them earn below the taxable limit. Therefore, the paper proposes a combined model: a small startup tax credit, employment incentives, artisan expense deductions, digitalisation support and green-business benefits. The main conclusion is that tax relief can be useful, but it must be combined with credit, training, market access and simple information.

Keywords: women entrepreneurs, women artisans, MSMEs, tax rebate, fiscal support, financial inclusion, India

1. Introduction

Entrepreneurship means starting and managing a business. A person may become an entrepreneur by opening a shop, developing a product, offering a service or turning a personal skill into a source of income. Women in India take part in many forms of entrepreneurship. Some run boutiques, caf  s, tuition centres, salons, cloud kitchens, home bakeries, digital service firms or online stores. Others work as artisans and make handloom products, embroidered clothes, pottery, jewellery, toys, coir products, baskets, candles, soaps and many other handmade goods. Women-owned enterprises are important for more than one reason. First, they give women a chance to earn their own income. This can improve financial independence and decision-making power within the family. Second, women-owned firms often create jobs for other women. A small tailoring unit, for example, may provide work to women who cannot travel far from home. Third, women artisans preserve cultural knowledge that has passed from one generation to another. Finally, a wider presence of women in business makes economic growth more inclusive. However, starting and expanding a business is not easy. Many women have less access to savings, property and formal loans. Banks may ask for collateral, past income records or business documents that a first-time entrepreneur does not have. Some women must balance business work with childcare, eldercare and household duties. Others live in places where training centres, markets and digital services are limited. Even when a government scheme exists, the application process may appear difficult.

Tax policy can reduce some of these problems. A tax rebate directly lowers the final tax payable. A tax deduction lowers the income on which tax is calculated. A tax exemption keeps certain income or profits outside tax for a fixed period or under certain conditions. Fiscal support is a wider term. It includes loans, interest support, credit guarantees, subsidies, fee concessions, procurement benefits, training and help with technology or marketing.

This paper focuses on three connected groups: women entrepreneurs, women artisans and women operating small-scale businesses. These groups overlap, but their needs are not always the same. A technology startup founder may need investment and an income-tax holiday. A home-based artisan may need a better tool, packaging support and help selling online. A boutique owner may need simpler accounting and a loan to employ more workers. Therefore, one policy cannot solve every problem.

The central question of this research is: How far do existing tax rules and fiscal schemes support women-owned small businesses in India, and what additional tax rebate model could make this support more effective? The paper also asks whether direct tax rebates are equally useful for all women, especially those whose income is too low to create a tax liability.

The study is relevant because the number of women participating in the MSME system is rising. The Ministry of MSME dashboard reported more than 3.49 crore registrations under the female category on 5 August 2026. At the same time, earlier official information showed that women-owned MSMEs formed a meaningful share of registrations but a much smaller share of total turnover. This suggests that registration is growing faster than business scale. Women are entering entrepreneurship, but many firms still need help to become larger, more productive and more profitable (Ministry of Micro, Small and Medium Enterprises, 2026; Press Information Bureau, 2024).

The paper is organised into a literature review, methodology, results and discussion, recommendations and conclusion. The language has been kept simple so that the ideas can be understood by high-school students and general readers.

2. Literature Review

2.1 Meaning of Tax Rebate and Fiscal Support

A tax rebate is an amount that is reduced from the tax a person has to pay. Suppose a small business owner calculates a tax liability of ₹30,000 and receives a rebate of ₹10,000. The final tax payable becomes ₹20,000. A rebate is therefore different from a deduction. If the same owner receives a deduction of ₹10,000, the taxable income becomes lower, but the final tax saving will depend on the tax rate.

A tax exemption means that a type of income or profit is not taxed, usually because a law or scheme allows it. A tax holiday is a temporary exemption for a fixed number of years. Startup India's Section 80-IAC benefit is an example of a tax holiday for eligible startups. It permits a 100% deduction of eligible profits for three consecutive financial years within the first ten years of incorporation, subject to the legal conditions (Startup India, 2026).

Fiscal support is broader than taxation. A government may support a business by paying part of the project cost, reducing the cost of a loan, guaranteeing a loan, paying for training, reducing

certification fees or reserving a share of public purchases for selected groups. Such support may be more helpful than a tax rebate for businesses that have not yet earned taxable profits.

For women entrepreneurs, the design of support matters. A direct tax rebate mainly helps businesses that are formal, profitable and filing returns. A subsidy can help before profits begin. A credit guarantee can help when a woman has a good business idea but no property to offer as collateral. Training and market access can improve business knowledge and sales. A strong policy should therefore combine different tools.

2.2 Women and the MSME Sector

MSME stands for Micro, Small and Medium Enterprise. MSMEs are often called the backbone of the economy because they create employment, support local production and supply goods and services to larger companies. They are found in both rural and urban areas. A small unit may operate from a home, a rented shop, a workshop, a village cluster or an online platform. Official data show the growing presence of women in this sector. The MSME dashboard displayed 3,49,80,499 registrations in the female category on 5 August 2026. This figure includes Udyam and Udyam Assist Platform registrations. The large number shows that women are not a small or unusual part of India's enterprise system (Ministry of Micro, Small and Medium Enterprises, 2026).

However, the size of a business matters as much as the number of registrations. A Press Information Bureau release stated that women-owned MSMEs formed 20.5% of Udyam-registered MSMEs up to January 2024, but their contribution to the total turnover of registered MSMEs was only 10.22%. This difference suggests that many women-owned firms operate on a smaller scale or earn lower sales than the average MSME (Press Information Bureau, 2024).

Another official release reported that women-owned enterprises employ millions of people and that their share is slightly higher in rural areas than in urban areas. This is important because women's entrepreneurship can support development outside major cities. A rural artisan, food processor or local service provider may generate income in a place where large companies are absent (Press Information Bureau, 2026a).

Literature on women's entrepreneurship commonly identifies several barriers: limited access to credit, lack of collateral, weak professional networks, less exposure to technology, unpaid care work, mobility limits and lack of information. These barriers are connected. For example, a woman who works from home may have low sales records. Because her sales records are weak,

a bank may reject her loan. Without a loan, she cannot buy equipment or improve packaging, so her sales remain low. Policy must break this cycle.

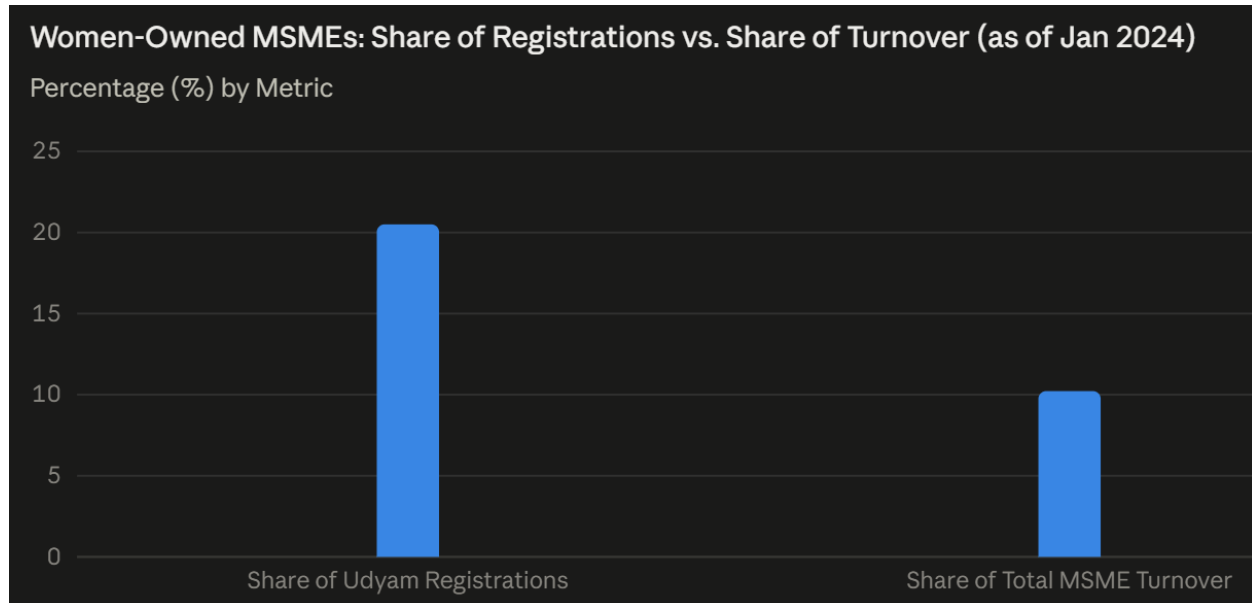


Figure 1. Women-owned enterprises account for roughly one-fifth of Udyam-registered MSMEs but generate only about one-tenth of total MSME turnover; indicating that registration growth has outpaced business scale. Source: Press Information Bureau (2024).

2.3 Why Tax Support May Help

The first years of a business are usually difficult. The entrepreneur must spend money on rent, equipment, raw materials, licences, packaging, transport, advertisements and technology. Sales may be uncertain. If the tax and compliance burden is too high, the owner may delay formal registration or keep the business very small. A temporary rebate can leave more money in the business during this early stage.

Tax support can also encourage formalisation. A formal business may register under Udyam, use a current account, issue invoices, keep records and file tax returns. Formalisation can improve access to loans, government tenders and larger buyers. Yet formalisation also creates paperwork. Small entrepreneurs will join the formal system more willingly when the benefits are clear and the process is easy.

Employment incentives can be especially useful. Many women-owned firms employ other women in sectors such as garments, food, beauty, education and handicrafts. A tax deduction linked to wages paid to women workers may encourage hiring. However, the policy must prevent false records and should not make compliance so difficult that microbusinesses cannot use it.

Tax support may also help businesses adopt digital tools. Digital payments and invoices create financial records. These records can make it easier to prove turnover and apply for credit. Support for e-commerce fees, catalogue creation, digital marketing and packaging can connect artisans to customers outside their local area.

2.4 Existing Income-Tax Measures

India's income-tax system already contains some measures that can indirectly help women business owners. Section 87A provides a rebate to eligible resident individuals whose income is within the limit fixed by law. The benefit is gender-neutral. A woman running a proprietorship may receive it if she satisfies the conditions, but she does not receive it because she is a woman. Tax limits can change through the annual Finance Act, so taxpayers must check the rule for the correct assessment year.

The presumptive taxation scheme under Section 44AD reduces accounting work for eligible small businesses. Instead of proving every business expense in the normal way, an eligible taxpayer can declare income on a prescribed percentage of turnover, subject to the law. The Income Tax Department explains that this scheme is meant to reduce the compliance burden on small taxpayers (Income Tax Department, 2026). For a boutique, home bakery, local trader or small service unit, simpler record-keeping can save time and professional fees.

The official guidance states that the turnover limit under Section 44AD may reach ₹3 crore when cash receipts remain within the stated limit, and otherwise the usual lower ceiling applies. The exact eligibility rules are important because some professions, agency businesses and commission income are outside Section 44AD. Therefore, a business owner should not assume that every small activity automatically qualifies.

Section 80-IAC is a stronger tax benefit, but it is limited to eligible startups. A recognised startup that meets the legal conditions may claim a 100% deduction of eligible profits for three consecutive financial years within its first ten years. Only certain legal forms, such as eligible private limited companies and LLPs, can apply. This benefit is useful for innovative and growth-focused women founders, but it does not usually fit a very small informal proprietorship (Startup India, 2026).

2.5 GST Relief and Simpler Compliance

Goods and Services Tax, or GST, applies to the supply of many goods and services. Very small businesses may remain outside compulsory registration until they cross the applicable turnover threshold, unless a special rule makes registration necessary. Official CBIC guidance explains the general threshold and also notes important exceptions, including some inter-state and reverse-charge situations (Central Board of Indirect Taxes and Customs, n.d.).

For many small women-owned businesses, staying below the registration threshold reduces paperwork. A home-based seller with low local turnover may not need to collect GST or file regular GST returns. This can make the first stage of business easier. However, non-registration may also create limits. Some larger buyers prefer registered suppliers, and businesses selling through certain channels may face special rules.

The GST composition scheme is another simplified option for eligible small taxpayers. It allows payment based on turnover with simpler compliance, but it also has restrictions. A composition taxpayer generally cannot use all benefits available under the normal system. Therefore, the scheme is useful only after comparing simplicity with business needs.

The main lesson is that compliance relief can act like fiscal support. Even when the government does not give cash, it can reduce the time and cost of filing returns, maintaining accounts and hiring experts. For a microbusiness, these savings can be meaningful.

2.6 Credit, Subsidy and Market-Support Schemes

Stand-Up India was created to support Scheduled Caste, Scheduled Tribe and women entrepreneurs in setting up greenfield enterprises. The original scheme supported loans from ₹10 lakh to ₹1 crore through bank branches. The 2025–26 Union Budget also announced a plan for term loans of up to ₹2 crore for five lakh first-time women, SC and ST entrepreneurs, building on lessons from Stand-Up India (Press Information Bureau, 2025). These measures show that access to credit remains a major policy priority.

The Prime Minister's Employment Generation Programme, or PMEGP, is a credit-linked subsidy programme for new microenterprises in the non-farm sector. Women are treated as a special category. The subsidy rate is higher for special-category applicants than for general-category applicants. This can lower the amount that the entrepreneur must finance herself.

PMEGP can support units in manufacturing, food processing, tailoring, handicrafts and services (Ministry of Micro, Small and Medium Enterprises, n.d.-a).

PM Vishwakarma focuses on traditional artisans and craftspeople. The scheme provides recognition through a certificate and identity card, skill training, a stipend of ₹500 per day during training, a toolkit incentive of up to ₹15,000, collateral-free enterprise loans in two stages, support for digital transactions and marketing help (Ministry of Micro, Small and Medium Enterprises, n.d.-b). These benefits are especially relevant for artisans whose main need is not an income-tax rebate but better tools, skills and access to customers.

Public procurement policy creates another form of support. Central Ministries, departments and public-sector enterprises are required to purchase a share of their annual needs from micro and small enterprises. Within this target, 3% is reserved for women-owned MSEs. This gives women-owned firms a possible route to stable and larger buyers (Press Information Bureau, 2025b).

Other women-focused measures include fee concessions under credit guarantee arrangements, support under the SAMARTH initiative, the Mahila Coir Yojana and full support for certain ZED certification costs for women-owned MSMEs. The MSME-TEAM initiative also aims to help MSEs join e-commerce platforms, and a large share of its target beneficiaries are women-owned enterprises (Press Information Bureau, 2025c).

The literature therefore shows that India's policy system contains many useful pieces. Yet these pieces are spread across different portals and departments. A woman may need to visit separate systems for Udyam registration, tax filing, GST, loans, training and marketing. The number of schemes is not the same as ease of access.

3. Methodology

This research uses a descriptive and analytical method. It does not conduct a field survey or experiment. Instead, it studies existing information and explains what the current policy system provides. This approach is suitable for a school-level economics paper because the main purpose is to understand government support, compare different measures and suggest an improved model.

The research is based on secondary data. Secondary data means information that has already been collected and published by another organisation. The main sources used in this paper are

the Ministry of Micro, Small and Medium Enterprises, the MSME Dashboard, the Press Information Bureau, the Income Tax Department, Startup India, the Central Board of Indirect Taxes and Customs and official scheme portals.

The study follows four steps. First, it identifies the common financial problems faced by women entrepreneurs, artisans and microbusiness owners. Second, it groups existing support into four categories: tax relief, compliance relief, credit or subsidy support, and market or training support. Third, it examines which groups are most likely to benefit from each measure. Fourth, it develops a proposed tax rebate model based on the gaps found.

The paper uses three imaginary case studies. These examples do not describe real individuals. They are created only to show how different rules may affect different kinds of businesses. The examples include a low-turnover artisan, a boutique owner with employees and an innovation-based startup founder.

The research has limitations. Government rules can change after a new budget, notification or Finance Act. Scheme conditions may also differ by state, business type or legal form. The paper is not professional tax or legal advice. Its purpose is educational. A real entrepreneur should confirm eligibility from the official portal or a qualified professional before making a financial decision.

A second limitation is that registration data do not always prove active business performance. A registered enterprise may be new, inactive or very small. Similarly, a firm registered in a woman's name may not always be controlled by her. Turnover, profit, employment and decision-making data would give a fuller picture, but such detailed information is not available for every business.

4. Results and Discussion

4.1 Main Finding: Support Exists, but It Is Fragmented

The first result of this study is that India has a wide support system for women entrepreneurs, but the system is fragmented. Some benefits come through tax law. Others come through banks, subsidies, guarantees, procurement rules, training programmes or digital platforms. A woman who knows how to use several schemes may receive strong support. A woman with low awareness may receive none, even when she is eligible.

The second result is that most major tax benefits are gender-neutral. Section 87A, presumptive taxation, GST thresholds and many startup provisions do not apply only to women. This is not necessarily unfair, because simple taxes should help all small firms. However, it means that the tax system does not directly respond to the extra barriers faced by many women.

The third result is that women-specific support is more common in credit, subsidies, procurement and training than in direct tax rebates. PMEGP gives women a special-category subsidy rate. Stand-Up India reserves a route to bank credit. Public procurement reserves 3% for women-owned MSEs. PM Vishwakarma gives tools, training and loans. These are valuable, but they are not a simple tax credit that appears automatically in the annual return.

The fourth result is that a direct income-tax rebate will not help every woman entrepreneur. A low-income artisan may have no income-tax liability. Reducing a tax bill of zero still gives zero benefit. Such an entrepreneur may gain more from a ₹15,000 toolkit grant, a subsidised loan, free certification, packaging support or an assured market. This finding is important because policy should match the stage and income level of the business.

4.2 Comparison of Major Support Measures

Measure	Type of support	Main users	Main benefit	Main limitation
Section 87A	Income-tax rebate	Eligible resident individuals	Lowers final tax payable	Not women-specific; helps only when tax is payable
Section 44AD	Simplified income calculation	Eligible small businesses	Reduces accounting burden	Not available to every business or profession
Section 80-IAC	Startup tax holiday	Eligible recognised startups	100% deduction of eligible profits for 3 years	Strict eligibility; not suited to most informal microbusinesses
GST threshold/ composition	Compliance relief	Very small or eligible registered businesses	Simpler or reduced compliance	Exceptions and business restrictions apply

Measure	Type of support	Main users	Main benefit	Main limitation
Stand-Up India / new credit support	Bank credit	First-time women and eligible groups	Improves access to larger loans	Loan must be repaid; bank appraisal remains important
PMEGP	Credit-linked subsidy	New microenterprises	Reduces effective project burden	Application and documentation may be difficult
PM Vishwakarma	Tools, training, credit, market support	Traditional artisans	Useful before high profits begin	Limited to listed traditional trades
Public procurement reservation	Market access	Women-owned MSEs	Creates access to government buyers	Requires registration, quality and tender readiness

Table 1. Comparison of selected tax and fiscal support measures for women-owned small businesses in India.

4.3 Case Study 1: Ritu, a Handmade-Bag Artisan

Ritu makes jute and cloth bags from her home. She buys fabric in small quantities and sells through exhibitions, WhatsApp and Instagram. Her annual turnover is ₹7 lakh. She has no employees, but two family members help during festivals.

At this level, Ritu's biggest problem is not a large income-tax bill. Her profit may be low after paying for cloth, thread, transport, stall fees and packaging. A general income-tax rebate may give little or no benefit. Her stronger needs are better tools, bulk raw material, product photographs, online listings, payment records and access to exhibitions.

Udyam registration could help her enter the formal MSME system. If her trade falls within an eligible artisan category, PM Vishwakarma may provide skill and toolkit support. Digitalisation support may help her create a catalogue and join e-commerce platforms. A proposed artisan expense credit or grant would be more useful than a profit-based tax holiday.

This case shows that the poorest business owner needs support before tax becomes important. Fiscal policy should therefore include refundable credits or direct grants. A refundable credit can still benefit a person whose tax liability is small, whereas a normal rebate cannot exceed the tax payable.

4.4 Case Study 2: Neha, a Boutique Owner

Neha runs a boutique with annual turnover of ₹28 lakh. She employs three women tailors and one part-time salesperson. She receives payments by UPI, card and cash. Her business is profitable, but she finds accounting and tax filing difficult.

Neha may benefit from presumptive taxation if her business and legal status meet the conditions. Simpler taxation can reduce professional fees and allow her to focus on customers and design. She may also benefit from credit guarantee support if she wants to buy machines or rent a larger shop.

An employment-linked tax deduction could change her decisions. Suppose the government allows an extra deduction for verified wages paid to women employees. Neha may find it easier to hire another tailor or give formal bank payments to existing workers. The policy could therefore support both entrepreneurship and women's employment.

However, the rule should be simple. If Neha must file many extra forms, obtain repeated certificates and face uncertain approval, the value of the deduction may be lost. A good incentive should use information already available through payroll, bank transfers, Udyam and tax returns.

4.5 Case Study 3: Aditi, an Eco-Friendly Startup Founder

Aditi creates a private limited company that makes compostable packaging. The company uses agricultural waste and develops a new production method. It plans to sell to food-delivery companies and restaurants.

Aditi's business needs research, machinery, testing and skilled employees. If the firm receives DPIIT recognition and satisfies Section 80-IAC conditions, it may receive a tax deduction for eligible profits for three consecutive years within its first ten years. This benefit can help the company keep more money for expansion after it becomes profitable.

Yet the tax holiday does not solve the first funding problem. A startup may spend money for several years before earning profit. During this period, access to investment, loans, research support and procurement opportunities may matter more than tax. This is another reason why tax and non-tax support must work together.

A green-business rebate could give an additional benefit to firms that prove reduced waste, clean energy use or recyclable packaging. Such a policy would support two goals at the same time: women's entrepreneurship and environmental improvement.

4.6 Proposed Women Entrepreneur Tax and Fiscal Support Model

Based on the findings, this paper proposes a five-part model. The model is designed to be simple, targeted and suitable for different stages of business. It should apply mainly to micro and small enterprises that are genuinely owned and controlled by women.

1. First-Time Entrepreneur Credit. A woman starting her first registered business could receive a small tax credit for the first three years, subject to a turnover ceiling. If the business has little tax liability, part of the credit could be refundable or converted into a business-development voucher. This would prevent the benefit from going only to already-profitable firms.
2. Women's Employment Deduction. A women-owned micro or small enterprise that employs a minimum share of women workers could receive an extra deduction for verified wages. The benefit should be linked to bank-paid wages and basic employment records. It should reward real jobs rather than only the number of names on paper.
3. Artisan Expense Allowance. Women artisans could receive a standard additional deduction or voucher for tools, raw materials, packaging, design training, certification and digital marketing. Small receipts are often hard to maintain, so the system could allow a limited standard amount with simple proof.
4. Digital Formalisation Credit. A microbusiness that begins using UPI, digital invoices, a business bank account and an e-commerce catalogue could receive a one-time credit. The aim would not be to punish cash users but to help businesses create records. Better records can improve credit access and reduce fraud.
5. Green Enterprise Benefit. Women-led firms using recycled materials, solar energy, low-waste production or eco-friendly packaging could receive an additional deduction or subsidy. The benefit should depend on clear and low-cost verification so that small firms are not excluded. The model should include an ownership test. At least 51% ownership and real management control should remain with one or more women. Authorities may check who signs contracts, operates bank accounts and makes major decisions. This can reduce the risk of businesses being placed only on paper in a woman's name.

The model should also use a single application window. Information from PAN, Udyam, GST, bank accounts and relevant scheme portals could be linked with the entrepreneur's consent. The woman should not have to submit the same document to many departments. A simple dashboard could show which benefits she may use and what action is still required.

4.7 Advantages of Tax Rebates

A well-designed rebate can increase business survival. Money saved in the first years can be used for stock, equipment, rent, packaging or advertising. This is important because many businesses close not because the idea is bad, but because cash runs out before sales become stable.

The model can encourage formalisation. When registration gives a clear financial reward, women may be more willing to obtain Udyam registration, use a business bank account and file returns. Formalisation can then improve access to loans and larger buyers.

Employment-based support can create work for other women. Many women prefer local or flexible employment because of travel and care duties. Small women-owned firms are well placed to provide such work. Formal wage payments can also build workers' financial records. Artisan support can protect traditional crafts. Better tools and market access can raise income and make craft work attractive to younger people. Without stable earnings, traditional skills may disappear even when the products have cultural value.

Digital support can expand markets. A woman who once sold only at a local fair may reach customers across India. Digital records can also make business performance visible to banks. Green incentives can improve production methods and help small firms respond to growing demand for sustainable products.

4.8 Challenges and Limitations

The largest challenge is awareness. A policy has little value if the target group does not know it exists. Information should be available in simple language and regional languages. Banks, schools, colleges, panchayats, self-help groups, craft clusters and urban market associations can help spread awareness.

Documentation is another challenge. Some women lack organised accounts, invoices or proof of ownership. The solution is not to remove all checks, because public money must be protected.

The better solution is to create simple records, assisted registration and standard formats.

There is a risk of misuse. A male-controlled business may be registered in a woman relative's name only to claim benefits. Real control is difficult to measure. Authorities should use several indicators instead of one paper declaration, but the process must still respect privacy and avoid harassment.

A rebate may also create unfair boundaries. A business just above a turnover limit may lose the entire benefit. This is called a cliff effect. The benefit should reduce gradually as turnover rises rather than ending suddenly.

Government revenue is another concern. Tax rebates reduce revenue in the short term. Therefore, the scheme should be limited, reviewed regularly and linked to measurable goals such as formalisation, job creation or digital records. If the policy helps businesses grow, future tax collections may rise.

Finally, support must not assume that all women have the same needs. Urban founders, rural artisans, women with disabilities, single mothers and members of self-help groups may face different barriers. A flexible menu of benefits is better than one fixed scheme.

5. Recommendations

- Create one simple, women-focused tax credit for genuine micro and small enterprises, with a limited refundable part for very low-profit businesses.
- Link tax support with job creation, digital payments, formal registration and real business activity instead of giving benefits only on the basis of gender ownership.
- Provide artisan vouchers for tools, raw materials, packaging, quality testing, design and online marketing because many artisans do not earn enough to use an income-tax rebate.
- Develop a single online portal that lists tax, credit, training, certification, procurement and marketing benefits in one place.
- Offer assisted application centres through banks, Common Service Centres, panchayats, colleges, self-help groups and craft clusters.
- Publish all scheme information in simple English, Hindi and regional languages, with examples showing eligibility and required documents.
- Make employment incentives easy to claim through verified bank payments rather than complex new filings.
- Use a gradual reduction of benefits as turnover rises so that businesses are not punished for growing slightly above a limit.
- Verify genuine ownership and control, while avoiding excessive inspections that may discourage honest entrepreneurs.

- Review the scheme every three years using data on business survival, turnover growth, women's employment, credit access and regional participation.

These recommendations recognise that tax relief is only one part of business policy. Credit, skills, technology, infrastructure and markets are equally important. The best system is one in which the entrepreneur can move step by step: registration, training, finance, production, sales, employment and growth.

6. Conclusion

Women entrepreneurs, artisans and small-business owners make a major contribution to India. They create jobs, add to family income, support local markets, preserve traditional skills and bring new ideas into the economy. The rapid increase in female-category MSME registrations shows strong participation. However, the lower share of turnover reported for women-owned MSMEs shows that many enterprises remain small.

India already provides important support. Presumptive taxation and GST rules can reduce compliance. Section 80-IAC can support eligible startups. Stand-Up India and newer credit plans improve loan access. PMEGP gives a higher subsidy rate to women as a special category. PM Vishwakarma supports artisans through skills, tools, credit and marketing. Procurement rules reserve a share of government purchases for women-owned MSEs.

The main weakness is not a total absence of policy. It is the lack of one clear, easy and direct system that brings the pieces together. Most tax benefits are gender-neutral, while women-specific support is spread across loans, subsidies and programmes. Many women who need help most do not earn enough to benefit from a normal income-tax rebate.

Therefore, a better policy should combine first-time entrepreneur credit, women's employment deduction, artisan expense support, digitalisation incentives and green-business benefits. It should include a refundable or voucher element for low-income entrepreneurs. It should also use simple applications, strong awareness and fair checks of real ownership.

Tax rebates can encourage growth, but they are not a complete answer. A successful woman entrepreneur needs finance, knowledge, technology, confidence, customers and time. When tax relief works together with these forms of support, women-owned businesses can become a stronger force for employment, equality and national development.

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Appendix A: Note on Data and Educational Use

The figures and scheme descriptions in this paper were checked against official government sources available in August 2026. Tax limits, eligibility rules and scheme conditions may change. The paper is an academic study and should not be treated as personal tax, legal or investment advice.