

A Study on the Changing Role of Women in the Economy (2015-2025)

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Abstract

Women in India have historically encountered cultural, social, and economic constraints that limited their participation in the workforce. In recent years, however, there has been a significant shift toward recognizing women's vital contribution to economic development. Women's empowerment enhances autonomy, expands access to opportunities, and strengthens decision-making capacity at personal, professional, and societal levels, thereby fostering inclusive growth. The transformation reflects a gradual dismantling of traditional barriers and the realization of women's potential as key drivers of national progress. Empowerment is not merely about equality in work valuation but about achieving balance between domestic responsibilities and professional engagement. It also calls for a societal mindset change where all forms of work are respected without gender bias. Despite women influencing over half of consumer purchasing decisions in India, their proportional contribution to macroeconomic indicators such as GDP and GNP remains underexplored. This study examines women's economic contribution, employment generation, and impact on living standards in India during 2015–2025.

Keywords: *Women's Economic Participation, Women Empowerment, Gender Equality, Workforce Inclusion, Economic Development, GDP Contribution, Employment Generation*

Submitted: January 27, 2026

Revised: February 28, 2026

Accepted: March 16, 2026

Published: March 18, 2026

DOI: [10.5281/zenodo.19420315](https://doi.org/10.5281/zenodo.19420315)



1. Introduction

The stability and growth of any economy is mostly determined by the participation of women in the labour workforce. The economic growth refers to the sustained increase in the production of goods and services within an economy over time, typically measured through indicators such as Gross Domestic Product (GDP) and Gross National Product (GNP) in both real and nominal terms. It represents a key objective for governments, businesses, and policymakers as it reflects enhanced productivity, infrastructure development, and overall national prosperity (World Bank, 2024). Growth-oriented policies often include investments in infrastructure, tax incentives, educational reforms, and trade liberalization, which collectively strengthen long-term economic capacity rather than providing only short-term gains. At the same time, businesses contribute through innovation, capital investment, and alignment with national development goals, thereby generating employment opportunities and supporting sustainable economic expansion (OECD, 2023). Economic growth is also closely associated with rising national income and improved standards of living, making it a critical measure of a country's development trajectory. While real GDP remains the primary tool for assessing growth capturing consumption, investment, government spending, and net exports additional indicators such as GDP per capita, Gross National Income (GNI), and industrial output are used to evaluate individual prosperity and sectoral performance, though they may not fully capture issues like income inequality and overall welfare (IMF, 2023).

2. Background of Study

The role of women in the economy has undergone significant transformation from 2015 to 2025, reflecting broader socio-economic changes, policy interventions, and evolving societal attitudes toward gender inclusion. Traditionally, women's economic participation in India and globally was limited to informal sectors, unpaid domestic work, and low-wage employment, resulting in their underrepresentation in national income statistics. The past decade, increased access to education, digital technologies, financial inclusion initiatives, and government schemes such as skill development and

entrepreneurship programs have enhanced women's participation in both formal and informal economic activities (World Bank, 2022). The rise of digital platforms, gig economy opportunities, and women-led enterprises has further expanded their role in contributing to GDP, employment generation, and household income. Despite these advancements, persistent challenges such as gender wage gaps, occupational segregation, and socio-cultural constraints continue to restrict their full economic potential (ILO, 2023). Therefore, examining the changing role of women in the economy during 2015–2025 is essential to understand their contribution to economic growth, evolving workforce dynamics, and the need for inclusive policies that promote sustainable and equitable development.

3. Scope and Significant of Study

The scope of the present study is confined to analyzing the evolving role of women in the economy during the period 2015–2025, with a focus on their contribution to key macroeconomic indicators such as GDP, GNP, employment generation, and improvement in living standards. It encompasses both formal and informal sectors, including entrepreneurship, digital participation, and workforce inclusion across urban and rural contexts. The study also examines policy interventions, technological advancements, and socio-economic factors that have influenced women's economic participation over the last decade. The significance of this study lies in its ability to provide a comprehensive understanding of how women's empowerment translates into economic growth and national development. It highlights the gaps between women's consumer influence and their actual economic contribution, offering insights for policymakers, academicians, and industry stakeholders to design inclusive strategies. Furthermore, the study contributes to the broader discourse on gender equality and sustainable development by aligning women's economic participation with long-term developmental goals and inclusive growth frameworks (UN Women, 2023).

4. Objective of Study

- To examine the changing role of women in the economy from 2015 to 2025
- To analyze the contribution of women to key economic indicators such as GDP and GNP
- To evaluate the impact of women's participation on employment generation and income levels
- To assess the influence of education, digitalization, and government policies on women's economic empowerment
- To identify the challenges and opportunities affecting women's participation in economic development

5. Reviews of Literature

A substantial body of literature highlights the strong relationship between economic growth and women's participation in development processes, emphasizing that increased inclusion of women in the workforce leads to more balanced and sustainable economic progress. In the Indian context, the growing participation of women across sectors such as technology, healthcare, education, and manufacturing reflects a shift toward inclusivity and innovation-driven growth (Gaikwad, 2016). Women contribute not only through labor force participation but also by bringing diverse perspectives, skills, and managerial capabilities that enhance productivity and organizational effectiveness. Studies further indicate that women's economic empowerment positively influences household income, social welfare, and overall national development, thereby reinforcing the importance of gender-inclusive economic policies (World Bank, 2022).

Several empirical studies provide insights into the changing trends of women's economic participation in India. Reports indicate that female labor force participation has shown improvement in recent years, although it remains lower than that of men and the global average. Research findings highlight that despite increased participation, women continue to face challenges such as unpaid domestic responsibilities, limited political representation, and structural inequalities in the labor market (Drishti

IAS, 2025). Data from national surveys further reveal that women spend a significant portion of their time on unpaid caregiving and household activities, which indirectly contribute to economic stability but are often not accounted for in formal economic measures (SBI Research, 2020).

Government reports and labor statistics also show gradual improvement in women’s workforce participation, supported by policy interventions in education, entrepreneurship, and skill development. The Periodic Labour Force Survey (2022–2023) indicates a steady rise in women’s participation rates, reflecting increased opportunities and awareness. Additionally, structural changes in the Indian economy, particularly the expansion of service, technology, and manufacturing sectors, have created new employment avenues for women, moving beyond traditional agricultural roles (Bhalla et al., 2022). However, despite these positive developments, studies highlight that female labor force participation in India remains below global averages, representing a significant untapped economic potential. Addressing this gap is crucial, as greater inclusion of women in productive employment can substantially enhance GDP growth and overall economic performance (ILO, 2023).

6. Research Methodology

The study also focuses on how the participation of women in economic growth is been changing in decades, for comparison I have considered a time period ranging from 2015 to 2025. The main source of the research is base of secondary data, the statistical surveys of World Bank (WWW.CECDATA.COM/ World Bank), Periodic Labour Force Surveys (PLFS), Center for Economic Data Analysis (CEDA) - Center for Monitoring Indian Economy (CMIE). Many of the research are focused on how is the economic development in various sectors like infrastructure, manufacturing, services, education, health care etc. but there are no specific researches on contribution of women in economic growth of India in specific period of 2015- 2025. This research focuses on how is the tide of women work force participation in this decade and what ways it can be improved for a better tomorrow.

7. Discussion and Analysis

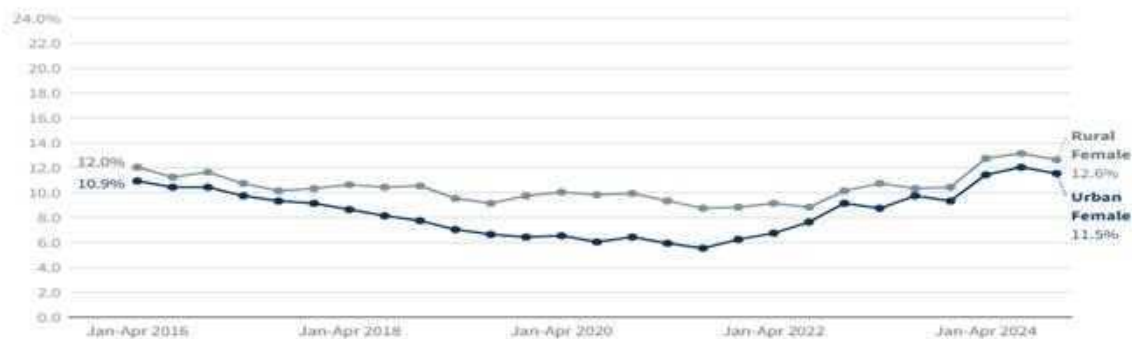
The entire data used for the research is based on the peer review using secondary data, mainly the surveys of government and other agencies, which provide statistical data to analyze the facts and figures. The research uses quantitative analysis. Used statistical methods like descriptive statistics, tabular data, graphs, charts analysis to find patterns.

Contribution of female labor participation over the years:

The below graph states that there is an increasing participation of female work force in rural and urban areas respectively- from the year 2015 to 2025.

Figure no: 1

Employment rates of women (all India), by sector, Jan 2016 to Dec 2024



Centre for Economic Data and Analysis (CEDA), Ashoka University

Data source: Consumer Pyramids Household Survey, Centre for Monitoring Indian Economy (CPHS-CMIE)

From the article: Too good to be true? Steadily rising female labour force participation rates in India

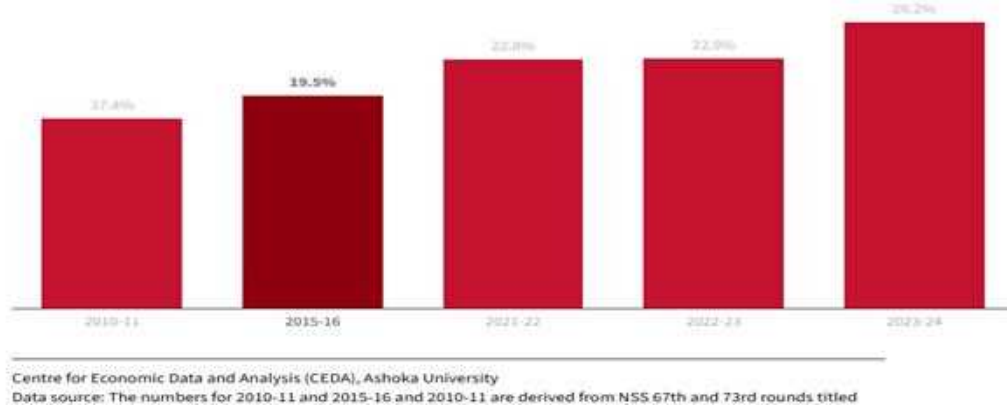


Source: Consumer Pyramid Household Survey, Center for Monitoring Indian Economy -CEDA.

The Consumer Pyramid Household Survey shows in the quarter Jan-April 2016 female employment rate in rural areas is around 10.9% and in urban areas it is approximately 12.0%. In the year 2014(Jan-April) it shows female employment rate in rural areas is around 12.6% and in urban areas it is approximately 11.5%.

The 2023-24 results show a clear recovery following the disruptions caused by Covid-19 pandemic. Overall, there has been an increase in the number of businesses, as well as the workforce and gross value added.

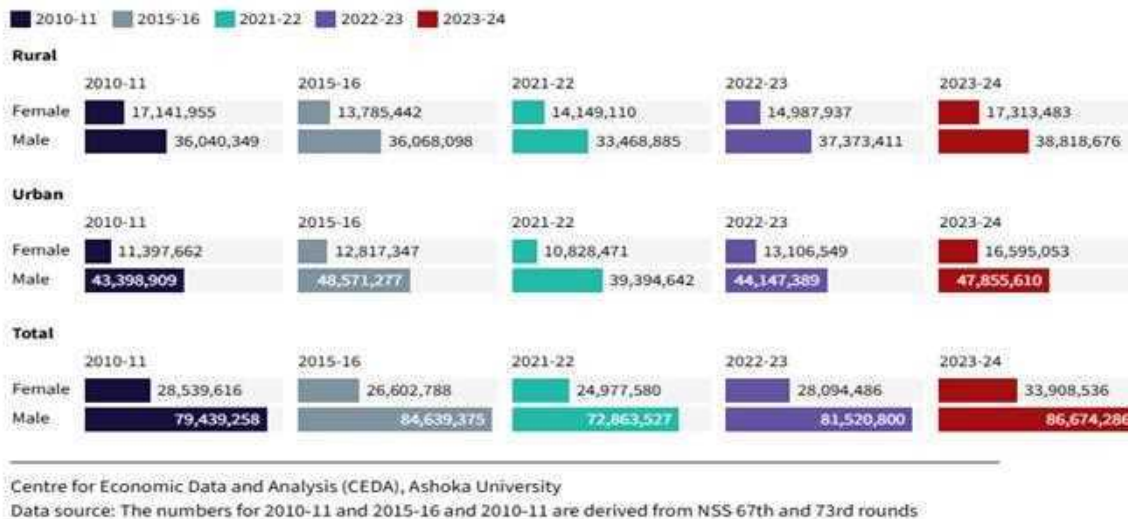
Figure 2: Share of women owned proprietorship establishments in India 2015-2025



Source: NSS (National Sample Survey)-CEDA

Since there is a significant increase in women owning businesses- in the year 2010-11 it was 17.4%, later in the year 2015-16 it increased to 19.5%, in the year 2021-22 it reached 22.8%, 2022-23 it increased up to 22.9% and in the year 2023-24 it geared-up to 26.2%.

Figure 3: Number of workers employed in Informal sector in India from 2011- 2024



Source: NSS (National Sample Survey)-CEDA

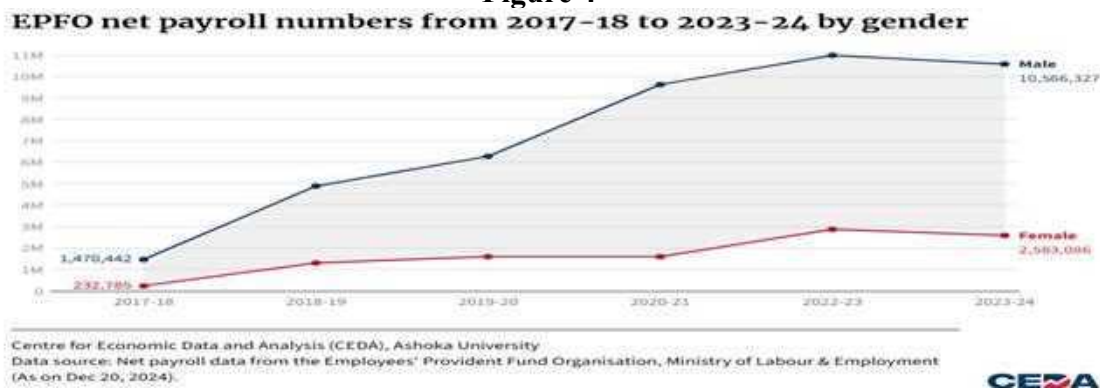
The number of female employees working in informal sector in rural area was 3,60,40,349 workers in 2010-11, it increased to 3,60,68,098 workers by the year 2015-16, in the year 2021-22 it raised to number 3,34,68,885 workers, in the year 2022-23 it increased to 3,73,73,411 workers and by the year 2023-24 it reached to 3,88,18,676. The number of female employees working in informal sector in urban area was 1,13,97,662 workers in 2010-11, it increased to 1,28,17,347 workers by the year 2015-16, in

the year 2021-22 it raised to number 1,08,28,471 workers, in the year 2022-23 it increased to 1,31,06,549 workers and by the year 2023-24 it reached to 1,65,95,053. When total females employed in informal sector is considered from the year 2010 to 2024 it is increased from 2,85,39,616 to 3,38,08,536 approximately an increase of 52,68,920.

• **Employee Provident Fund Organization (EPFO) data**

One way to monitor formal employment in India is through the Government data on new subscribers or members joining social security schemes like the Employees’ Provident Fund (EPF), Employees’ State Insurance (ESI), and the National Pension Scheme (NPS). CEDA has previously analyzed EPFO data in an article. Given India’s large informal sector in India, EPFO data only reflects trends among small part of the workforce. Additionally, an increase in EPFO numbers may show shift from informal to formal jobs, rather a general increase in the number of employment.

Figure 4



Source: Employees’ Provident Fund Organization- CEDA.

Above graph shows a continue rise in female labour force participation , net payroll numbers, revealing notable gender gaps but a clear upward trend in female enrollment.

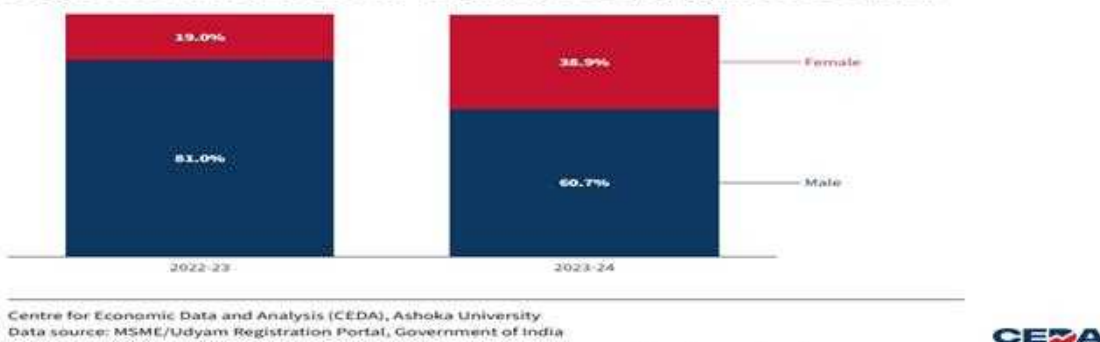
• **The PLFS data 2017- Registered MSMEs report**

(MSMEs stand for Small and Medium Enterprises) Unfortunately, the annual reports of MSMEs from 2017–18 to 2023–24 do not provide gender-specific data on the owners or workers over time. The only indicator of change is the gender breakdown of Udyam registrations. Udyam, launched in 2020, is an online system where MSMEs provide their details to access government benefits. The share of women enterprises doubled from 19% to over 38% over a span of year.

Since we only have data for two time points, it is unclear whether the increase is due to better reporting or real rise in the number of women owned businesses.

Figure 5

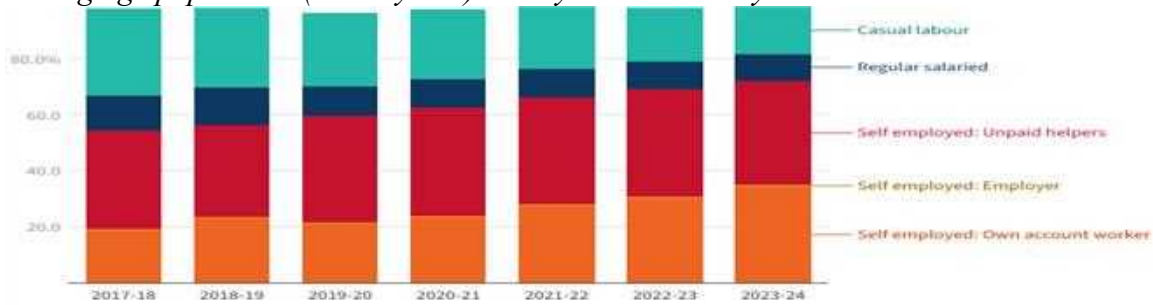
Registered MSMEs on the Udyam portal, by gender of owner



Source: MSME/Udyam Registration Portal, Govt of India- CEDA.

According to the limited data CEDA could access, there was a 19% increase in female-owned small enterprises in 2024 compared to 2022–23. This indicates an increase in women’s willingness to take on entrepreneurial roles, showing greater self-sufficiency. It is hoped that the trend will continue, contributing more to the women-led economy in the future.

Figure 6: Workforce distribution of women in rural areas (as per the PLFS), 2017-18 to 2023-24
 * For working age population (15-59 years) and by current weekly status



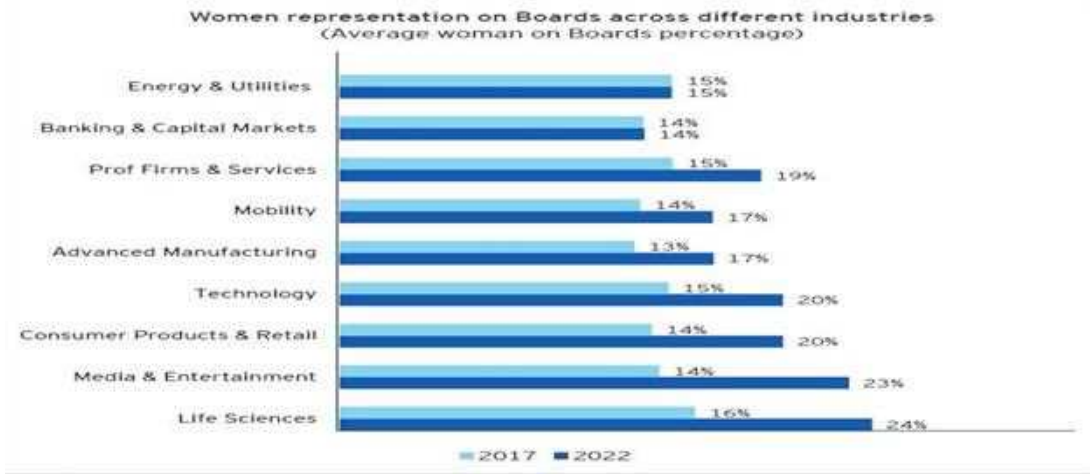
Does not include share of those who were self-employed or salaried but did not work in the previous week
 Centre for Economic Data and Analysis (CEDA), Ashoka University
 Data source: Periodic Labour Force Survey, various rounds



Source: Periodic Labour Force Survey-CEDA.

PLFS stands for Periodic Labour Force Survey, which is conducted periodically every year. In 2017-18 number of Self-employed below 20% and but increased to 35% in 2024. Self employed rate is approximately increased from 20% to 65% over the period of 7 years. Salaried women decreased by 10%, which could be due to increased self employees or women leaving jobs due to family responsibilities. Casual labour is also decreased by 5 % to 7%, due to reasons such as uncertainties in jobs, lower wages, etc.

Figure 7: Women representing on Boards across different industries



Source: BoardEx, Ey Analysis

The graph shows an increase in women’s representation on boards across various sectors. Women representation in life sciences is increased from 16 % (2017) to 24% (2022). In media & entertainment it’s increased from 14% to 23%. In consumer products & retail its increased from 14% to 20%. In the technology sector its rose from 15% to 20%. In advance manufacturing it went from 13% to 17%. Mobility 14% to 17%. In professional firms and services it increased from 15% to 19%. In banking sector & capital markets it remained 14%. Energies and utilities it stayed steady at 15%. This highlights the vital role of women play, which significantly contributes to the country’s GDP. The

Unstoppable Rise of Women in India’s Workforce. India’s efforts to encourage gender equality in the workplace are evident in the SBI’s Research. Between 2017-18 and 2023-24, India experienced a significant rise in the Female labour Force. According to an SBI Research report dated 28th February 2023, the latest data shows that the female population aged 18-60 years is assumed to have a monthly income of Rs 5000 in rural areas and Rs 8000 in urban areas, working 8 hours daily. Further considering 5% of these women in rural areas and 30% in urban areas are working for wages in the formal set-up. The analysis indicates that the total contribution of unpaid women to the economy is around Rs 22.7 lakh crore. (Rural: Rs 14.7 lakh crore and Urban: Rs 8.0 lakh crore) which is almost 7.5% of the India’s GDP.

Contribution of Unpaid Women in GDP			
		Rural	Urban
Unpaid domestic work by women	Minutes	432	431
	Hour	7.2	7.2
Total Women (18-60 years)	in crore	28.7	13.2
Working age women		1.4	4.0
Unpaid women		27.3	9.3
Per day per hour wage*	in Rs	21	33
Total unpaid contribution	in Rs lakh crore	14.7	8.0
Total Rural + Urban Contribution (in Rs lakh crore)		22.7	
Total Rural + Urban Contribution (% of GDP)		7.5%	
Source: SBI Research; *Assuming monthly wage of Rs 5000 & Rs 8000 in rural and urban areas for 8 hours, respectively			

Source: NSS Report, SBI Research report dated 28th February 2023.

The same report also states that, based on data from the NSS report (Jan 2019-Dec 2019). Women aged between 18- 60 years spend an average of 7.2 hours per day on unpaid domestic & care giving work for household members. The gender gap in rural Female Labor Force Participation Rate LFPRs has reduced from 51.8% points in 2017–18 to 32.6% points in 2023–24, while the urban gap has narrowed from 54.1% to 47.6 % points. However, despite these improvements, the gap remains considerable, and it is still higher in India compared to countries with similar income levels.

8. Finding of Study

- The study reveals that women’s participation in the Indian economy has shown a noticeable improvement during the period 2015–2025, particularly due to increased access to education, digital platforms, and government-led empowerment initiatives. There has been a steady rise in female labor force participation, especially in sectors such as services, healthcare, education, and entrepreneurship. This indicates a gradual shift from traditional roles toward more active economic engagement, contributing to income generation and national productivity.
- The findings also highlight that women’s participation remains significantly lower than that of men and below global averages. A major barrier identified is the disproportionate burden of unpaid domestic and caregiving responsibilities, which limits women’s ability to fully engage in paid employment. Additionally, issues such as gender wage gaps, occupational segregation, and limited access to leadership roles continue to restrict women’s economic potential.
- The study further finds that structural changes in the economy, including the growth of the digital economy and service sector, have created new employment opportunities for women. Government initiatives promoting financial inclusion, entrepreneurship, and skill development have positively influenced women’s economic empowerment. Despite this progress, there remains a gap between women’s contribution as consumers and their measurable contribution to macroeconomic indicators like GDP and GNP.

9. Conclusion

The role of women in different industries has been significantly growing showing consistent progress over the last decade. There is still a lot of potential for further growth in the coming years. Women contribute about 18% to the national GDP. In India, women make up 48% of the agricultural workforce but own only 13% of the land. Women account for around 20% of the workforce in manufacturing and approximately 30% in the services sector. Even though women form about making 48.4% of the country's population, their contribution is still lower than the global average of around 37%. Self employment rate have increased to 65% in 2024. Empowering women socially and economically is a major challenge. Changing traditional attitudes towards gender equality is not an easy task. Women are often underestimated and are treated less efficient than men when it come to work performance, pay structure, recognition, rewards and awards. Despite these challenges, Indian women continue to overcome obstacles and shoulder-with men across all sectors including manufacturing, service, agriculture, entrepreneur etc.

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