

POWERING
THE **ECONOMY**
WITH **HER**

Women Entrepreneurship in India



For the purposes of this report, entrepreneurship broadly includes a spectrum of models that exist across urban and rural India, including micro, small, medium and large enterprises as well as agri-enterprises.

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EXECUTIVE SUMMARY

India's growth story has left behind a key demographic: women. Despite improvements in social parameters, India's growth does not translate to the economic inclusion and development of women. Rather, women's participation in the labour force has stagnated and is expected to decline further because of labour trends, technological disruption and constraining social barriers.

In the coming decade, India will have the largest working-age population in the world with over 1 billion people. This demographic dividend, when combined with an increasingly educated population, has the potential to transform India's economic and social development. However, the private and government sector alone have not been sufficient in generating the required jobs. Entrepreneurship among women is a vital component of the overall solution. It not only boosts the economy through job creation, but also delivers transformational social and personal outcomes for women.

Today India has 13.5–15.7 million women-owned enterprises, representing 20% of all enterprises. While large in absolute numbers, these are overwhelmingly comprised of single person enterprises, which provide direct employment for an estimated 22 to 27 million people. Further, a number of enterprises reported as women-owned are not in fact controlled or run by women. A combination of financial and administrative reasons leads to women being “on paper” owners with little role to play. Benchmarks from high performing countries and Indian states provide a good yardstick for India to accelerate overall female entrepreneurship. Accelerating quantity and quality of entrepreneurship towards such benchmarks can create over 30 million women-owned enterprises, of which 40% can be more than self-employment. This can generate potentially transformational employment in India, of 150–170 million jobs, which is more than 25% of the new jobs required for the entire working age population, from now until 2030.

Achieving this visionary but realistic goal requires understanding the barriers facing the various types of women entrepreneurs across the landscape in India. Specifically, we see six distinct segments of entrepreneurs, which exhibit differing characteristics based on whether they are scaled, small or solo; urban or rural; engaged in agriculture or outside. An in-depth understanding of these segments has been crucial for us to gain true insight in to motivations, advocacy, constraints, and most importantly, the solutions to accelerate entrepreneurship for women in India. For instance, while access to finance impacts nearly every entrepreneur, it manifests in the form of disparity in the investor ecosystem for the scalers, but lack of information and absence of tailored products, for rural and urban solopreneurs. Similarly, scalers face an unfair disadvantage due to exclusion from networks, especially informal ones, but for urban solopreneurs, it is about not having had the opportunity to be part of a network of any sort. Rural agripreneurs is a distinct segment, which is here to stay, and can be a critical catalyst of the modernisation of agriculture and the rural ecosystem. All segments of entrepreneurs, as well as non-entrepreneurs, face severely inhibiting cultural constraints. These manifest in the form of denial of the social permission to work and gender biases that persists widely.

There are four opportunity areas to unlock the potential of women and entrepreneurship in India:

1. Level the playing field for the high-impact, employment-creating entrepreneurs
2. Enable the willing middle—the ambitious solopreneurs and small business owners—to scale and become high-impact entrepreneurs
3. Expand the funnel to get more women to start enterprises
4. Build, strengthen and scale productive rural agripreneurs

The call to action is for a coordinated effort across a few key themes—an enabling and comprehensive policy framework, equal access to finance, expansion of mentorship and networking channels, tailored knowledge and capability building, and cultural openness. However, the specific interventions within these themes are different and nuanced for each opportunity area, often requiring a unique set of stakeholders to act.

Implementing these interventions to accelerate prospective and current women entrepreneurs will need a deep recognition of the urgency, and a coordinated scaled effort between various ecosystem participants. These include national and state governments, grass-root organisations, investment and banking community, other private enterprises, educational institutions and media.

Unlocking entrepreneurship amongst women in India is a complex effort, but one which provides an unprecedented opportunity to change the economic and social trajectory of India and its women for generations to come.





THE URGENCY

Women’s socioeconomic role goes unrecognised in India. Most women work as unpaid caregivers, household managers or in other home-based positions; only a minority work outside the house. While women are better educated and enjoy improved healthcare than before, they continue to face structural, social and economic barriers to paid employment. That limits women’s individual economic advancement and constrains India’s social and economic progress. Women’s potential remains as an untapped resource in the country.

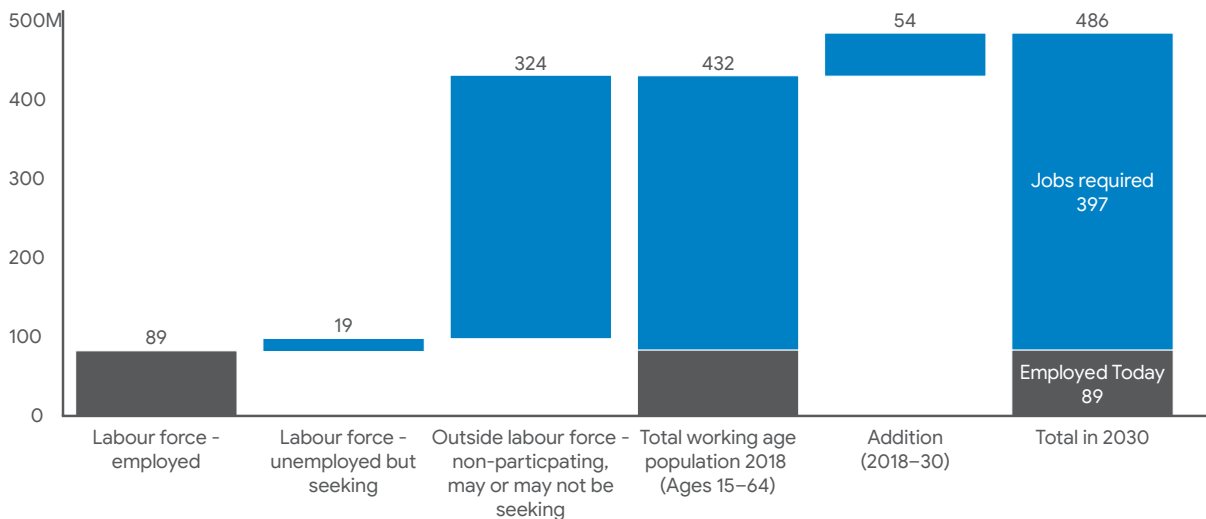
Despite significant strides, India’s growth story has ignored women. The World Bank estimates that 75% of working-age women (35% of India’s working-age population) currently do not have paid work. Only 59% of women have access to mobile phones, with an abysmally low internet penetration rate of 19%, and only 35% of women actively use their bank accounts, further limiting their opportunities. Finally, although women represent 42% of the agricultural labour force in India, women own just 2% of farmland.

Of the approximately 432 million working-age women in India, about 343 million are not in paid formal work.

Of the approximately 432 million working age women in India, about 343 million are not in paid formal work. An estimated 324 million of these women are not in the labor force; and another 19 million are in the labor force but not employed.

Figure 1: There is need to unlock the economic potential of up to 400M women by 2030

Indian women of working age between 15–64



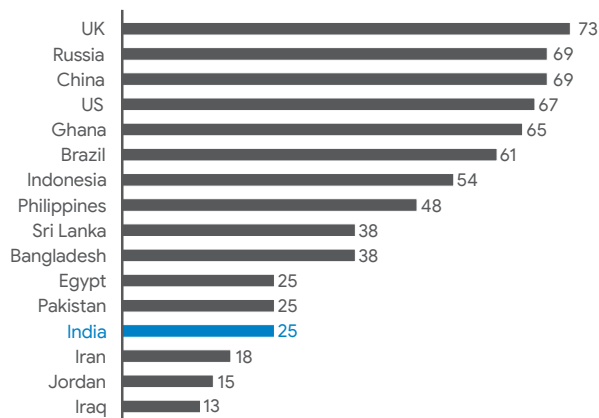
Sources: International Monetary Fund (IMF); World Bank; Centre for Monitoring India Economy (CMIE); Bain & Company analysis

Women’s labour force participation rate (LFPR) in India, already among the lowest in the world, continues to decline. The decline of working women between the ages of 15 and 24 may be partially attributable to an increased focus on education. However, the secular decline and recent stagnation in participation rates for women between 25 and 64 is alarming (see Figure 2).

Figure 2: India’s labour force participation among women is low and is stagnating

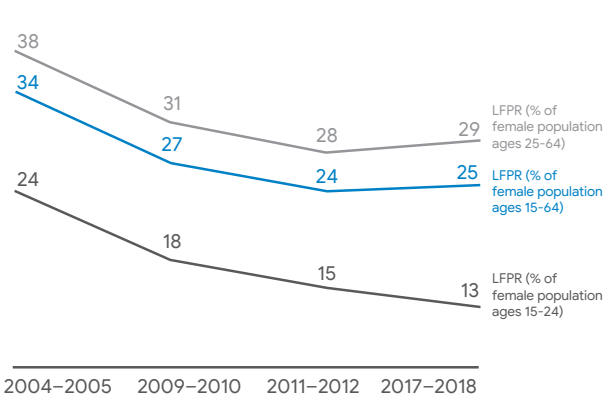
Women’s labor force participation in India is amongst the lowest in the world

2018 female LFPR (% of female population ages 15–64)



LFPR has fallen over time, and recently stagnated in the mid-twenties

India female LFPR (% of female population ages 15-64)



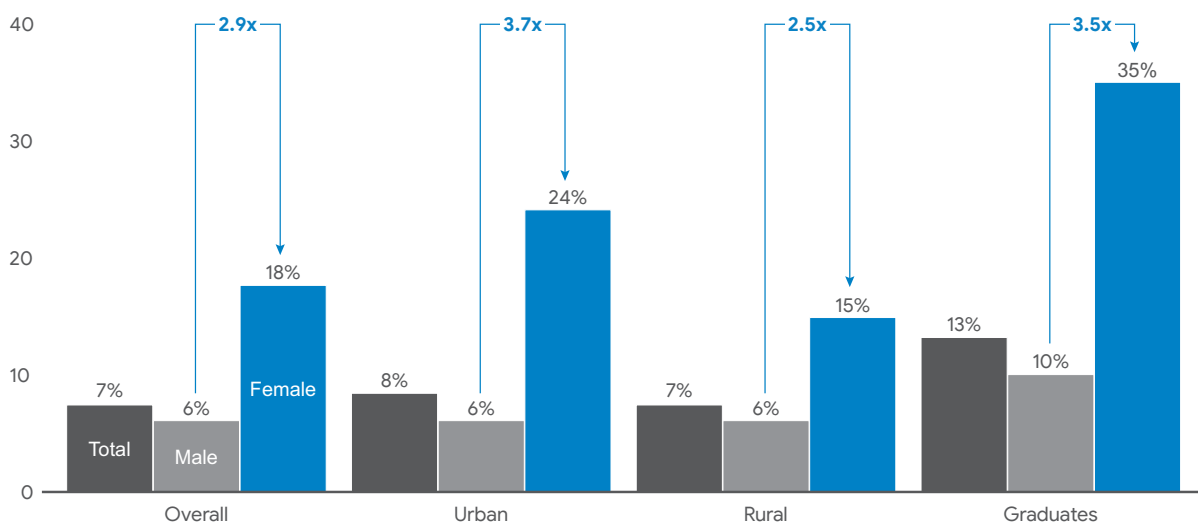
75 percent (324M) of Indian women of economically active age are not engaged in formal and paid work today

Notes: LFPR – Labour force participation rate
Sources: World Bank data; Ministry of Statistics and Programme Implementation (MoSPI); ILO

Ironically, women who are actively participating in the workforce are 2.9 times more likely than men to be unemployed. Additionally, as per a 2019 study by the Centre for Monitoring India Economy (CMIE), women graduates are more than 3.5 times more likely than their male peers to be unemployed. Overall unemployment in India is 7%, but unemployment among women is 18%. In addition, unemployment for women with a tertiary education is even worse (see Figure 3).

Figure 3: Unemployment throws disproportionate challenges for women

Unemployment rate (%), May–Aug 2019



Sources: Centre for Monitoring India Economy (CMIE) unemployment rate in India between May–August, 2019; Centre for Monitoring India Economy (CMIE) article on for graduates+

As routine jobs become automated, the pressure on women will intensify and they will experience higher unemployment rates. Women typically hold most of the administrative and data-processing roles that artificial intelligence and other technologies threaten to usurp, according to a 2019 study by the Institute of Women's Policy Research.

By 2030, the working-age population of India will surpass 1 billion, an unprecedented number and will be the highest in the world. In light of the above trends, LFPR metrics will further decline as 110 million more people, of which approximately 54 million are women, will enter the workforce. Coupled with the present numbers, it is indicative that up to 400 million jobs are going to be needed for women alone, and without urgent action, the economic and employment gap between men and women will continue to widen.

This projected explosion in the working-age population presents India with an extraordinary opportunity to transform its growth story. Reliance on improving employment opportunities in the private and government sector solely will not create the number of jobs necessary to meet that goal. In order to avoid squandering this demographic dividend and truly advance the potential of women, we must take bold actions.

By 2030, India's working-age population will surpass an unprecedented 1 billion, and up to 400 million women's economic potential may be left unaddressed

India needs to take a non-traditional approach. In addition to job creation by private and government sectors, entrepreneurship is a powerful, and largely untapped, opportunity for working-age women in India. By creating jobs, fuelling innovation and furthering investment in health and education, entrepreneurship among women could transform of India's economy and society.



THE WOMEN'S ENTREPRENEURSHIP OPPORTUNITY

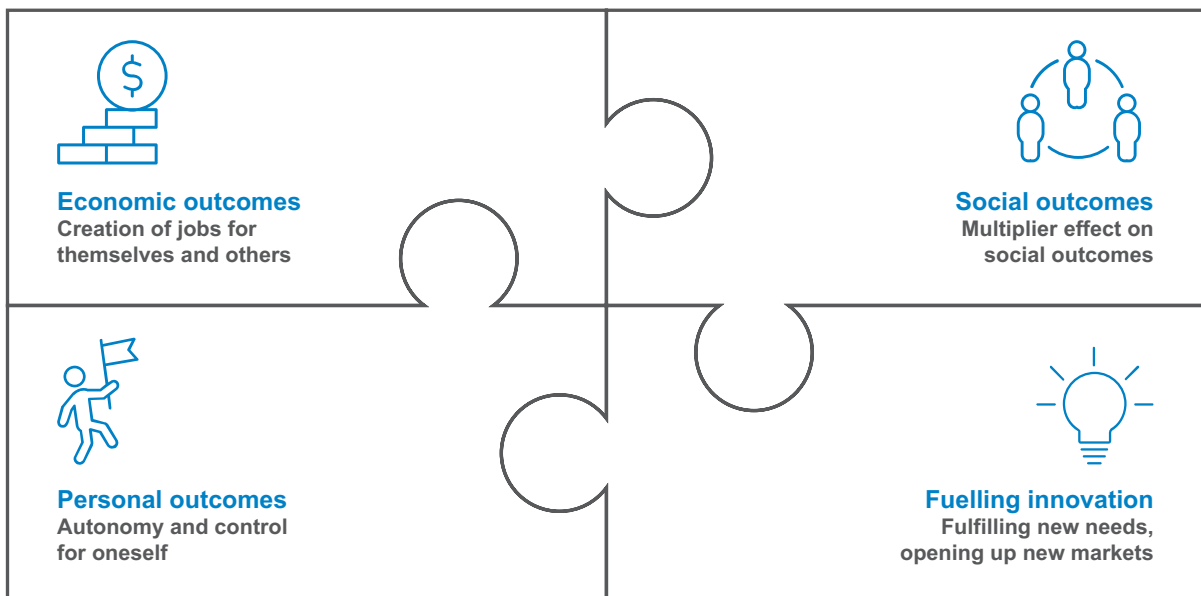
Why Entrepreneurship

Entrepreneurship among women has the power to create positive outcomes for individuals, societies and economies (see Figure 4).

- Game-changing employment creation:** It is well known that micro, small and medium enterprises (MSMEs) are key to long-term employment creation. Regions and industries in India that have embraced entrepreneurship have grown faster and created more jobs. When provided with equal access to inputs, women-owned enterprises produce equally strong economic outcomes when compared with enterprises led by men. Entrepreneurship will enable women to play a pivotal rather than a peripheral role in the economic sphere. Women are more likely to hire other women and are less influenced by gender stereotypes

When provided with equal access to inputs, women-owned enterprises produce equally strong economic outcomes when compared with enterprises led by men.

Figure 4: Entrepreneurship amongst women drives transformational gains for individuals, the economy and society



Sources: Bain & Company analysis

- **Disproportionate social outcomes:** Enabling women entrepreneurship benefits future generations through the multiplier effect. According to the International Monetary Fund (IMF), investing in women builds economic and social prosperity by enabling a gradual social shift from high fertility, low education and poor health to making more conscious reproductive choices, higher education and better health for self and family.
-

Women's employment contributes to outsized social returns as women invest most of their income on children's health and education, benefitting future generations.

- **Improved personal outcomes with greater longevity in the workforce:** As women entrepreneurs experience greater financial independence, autonomy and control, it leads to an increased retention of women in the workforce. About 59% of women believe working for themselves reduces their dependence on a spouse or family, while 46% view it as a means to break through the glass ceiling.
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About 59% of women believe working for themselves reduces their dependence on a spouse or family, while 46% view it as a means to break through the glass ceiling.

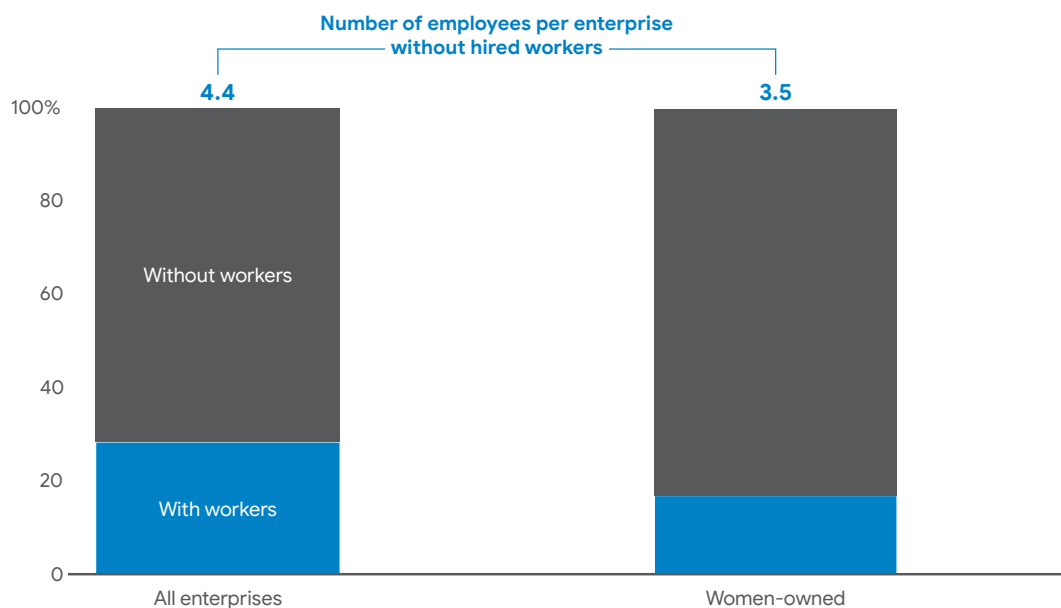
- **More gender-responsive innovation:** Women entrepreneurs are pioneering new markets and fulfilling untapped customer needs through innovative businesses. Examples include platforms for beauty products, women-focused business schools, eco-friendly sanitary products and innovative kitchen products. These businesses are fostering product innovation and addressing unmet and often neglected needs in the market.

The current state

India has more women-owned enterprises than many other countries, with an estimated 13.5 million to 15.7 million MSMEs and agribusinesses, as per published sources. A closer look reveals the need for a multifaceted push to improve women’s involvement across these businesses. A closer look reveals a few nuances which are critical to recognise.

- **Women-owned enterprises are growing.** Over the past decade, women-owned enterprises have increased from 14% to 20%, as per government sources. This is with the help of national and state governments, investors, banks, financial and educational institutions, and, most of all, the enterprising female workforce.
- **India still faces a large gap compared with peers.** As per the Global Entrepreneurship and Development Institute (2015), India performs below the 20th percentile in the female entrepreneurship index. This is far below developed markets such as the US and UK, and developing markets such as Brazil, Russia and Nigeria.
- **Women-owned enterprises in India are largely single-person enterprises.** This translates to lower returns and employment—only 17% of all women-owned enterprises employ hired workers vs. 28% for all enterprises (see Figure 5).
- **True entrepreneurship among women is over-represented in numbers.** To provide economic independence to women, enterprises need to be owned, controlled or run by women. Surveys across parts of India suggest that 10% to 30% often are not run by women. Accounting for enterprises disguised as women-owned enterprises, Bain’s analysis suggests that the total share of enterprises that are truly owned and run by women is likely to be lower than 20%.

Figure 5: Women-owned enterprises are largely self employed; less than 20 percent generate additional employment



Source: Sixth Economic Census

In recent years, there has been a clear recognition of women on the national economic agenda, including efforts to promote entrepreneurship. Both public and private entities have launched a wide range of initiatives to provide some impetus to augment this opportunity.

These interventions seek to address gender-specific financing challenges, providing skills training and mentorship access, and building market linkages. With emerging positive outcomes, these programmes, some of which we illustrate below, have significant scope for replication or expansion.

- The Ministry of Micro, Small and Medium Enterprises' recent policy mandates that ministries, departments and public sector undertakings must target 25% procurement from the MSME sector, of which 3% must be women owned.
- In 2018, Telangana's government launched WE Hub, an initiative to promote women-owned enterprises by providing access to capital, infrastructure, marketing and legal services, mentorship, and technical support. This programme has incubated 25 start-ups, with 16 benefitting from loans up to INR 2 crore.
- Mann Deshi Foundation's successful finance and skills development project for rural women entrepreneurs has resulted in INR 500 crore in aggregate financing for 90,000 women, the establishment of more than 50,000 micro businesses and 4 lakh women having participated in their business school and chambers of commerce programmes.
- Launched in 2016 by TiE Global with funding support from US State Department, the All-India Road Show for Women's Economic Empowerment through Entrepreneurship (AIRSWEEE) facilitates women entrepreneurship in tier-2 and tier-3 cities in India. 575 women entrepreneurs have directly enrolled in a coaching and mentorship programme across 106 cities in 20 states in India so far. AIRSWEEE has established a pay-it-forward culture through which these mentees have further mentored an additional 2,500 plus women.
- SHEROES is building the Women's Internet to bring in trust, empathy, growth via content, connections and commerce. SHEROES Network is home to the SHEROES app, Maya, BabyGogo and SHEROES Workforce. The SHEROES platform has 16 million members.
- The Indian corporate sector has also launched successful programmes in skills training. Godrej's Beauty-preneur programme, a year-long entrepreneurship development programme focuses on (i) technical upskilling; (ii) personal growth and development; (iii) financial literacy; and (iv) managing and growing a small business. Under this, they have reached nearly 2500 women across 9 states in the country.

A number of these successful initiatives can be replicated. Further, there is a huge opportunity to expand and sharpen the role of the government in transforming the entrepreneurial landscape for women in India through a comprehensive and coordinated effort.

Full potential opportunity

Women entrepreneurship directly affects income, employment and capital formation while indirectly benefitting household-level resource allocation. Supporting women entrepreneurs not only improves their livelihood but also creates jobs. Our estimates suggest that an ambitious yet realistic push can enable India to achieve a significant contribution from women through direct, indirect and induced employment alone.

There are an estimated 13.5 million to 15.7 million women-owned and controlled enterprises are creating direct employment for 22 million to 27 million people in India. In addition to the employees hired directly, each enterprise supports indirect employment by creating demand for suppliers and other parties in the value chain. Additionally, there is induced employment because of increased consumption by people getting directly and indirectly employed.

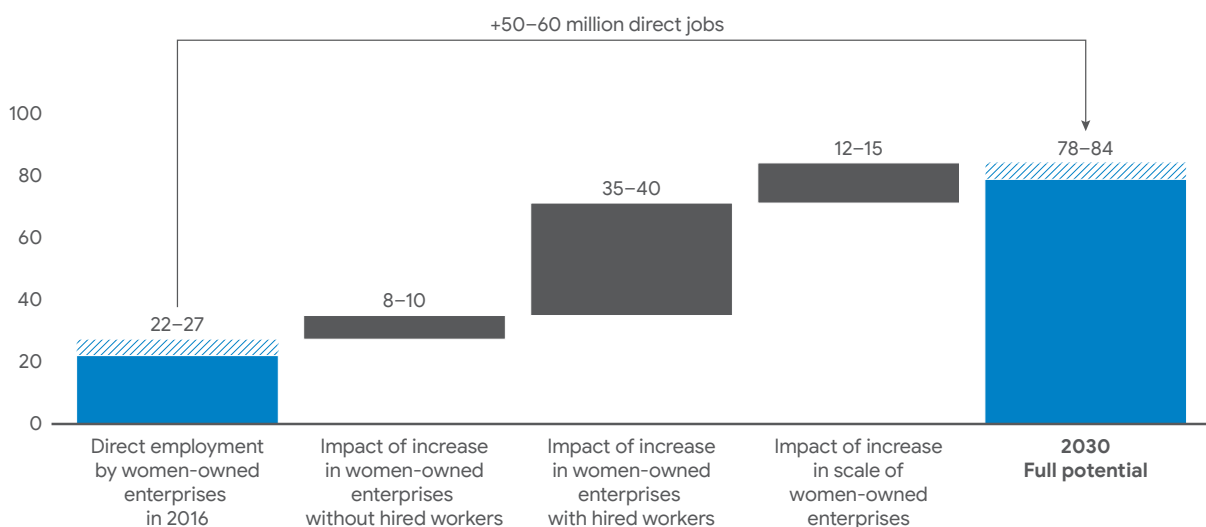
An all-states effort to help women start and scale generate can employment for 150 million to 170 million people.

There are several examples of countries, some in similar stages of development as India, and states within India, that have structurally enabled and accelerated entrepreneurship amongst women. Examples include developed countries such as the US and Canada that have ~40% enterprises owned by women, and developing countries such as Indonesia, Vietnam and Russia, that have over 30% women-owned enterprises. Within India, several states, including Meghalaya, Mizoram, Manipur, Tamil Nadu, Karnataka lead in representation of women in the MSME sector.

An all-states effort that is focused on enabling women entrepreneurs to start up and scale could, by 2030, increase direct employment by around 50 million to 60 million people and increase indirect and induced employment of another 100 million to 110 million people (see Figures 6, 7 and 8).

Figure 6: Women-owned enterprises can generate over 50–60 million direct jobs by 2030

Estimated direct employment
(M people)







Source: Sixth Economic Census; Bain & Company analysis

Figure 7: Direct plus indirect and induced employment impact of 150–170M jobs

	Direct jobs in 2030	Indirect jobs created	Induced jobs created	Total jobs in 2030
Agriculture	6–8M	11–13M (1.7–1.9x multiplier)	3–4M (0.5x multiplier)	20–25M
Manufacturing	17–20M	38–40M (2–2.3x multiplier)	9–10M (0.5x multiplier)	65–70M
Retail	13–15M	14–16M (1–1.2x multiplier)	1–2M (0.1–0.2x multiplier)	28–32M
Other services	15–17M	18–20M (1.2–1.3x multiplier)	5–6M (0.3x multiplier)	38–42M
	50–60M	80–90M	18–22M	150–170M

Note: *Multiplier has been applied on direct jobs created; represents that indirect/induced jobs are X times number of direct jobs created
Source: Sixth Economic Census; Bain & Company analysis

Figure 8: An acceleration today will bring about a full transformation of India’s entrepreneurship landscape

	Point of departure (2016)	Point of arrival (2030 full potential)
 Number of women-owned enterprises	~13.5–15.7M	~31.5M
 Women-owned enterprises as a percentage of total enterprises	~17–20%	~33%
 Percentage of women-owned enterprises with hired workers	~20%	~40%
 Employment per woman-owned enterprise with hired workers	~3.7	~4.5

Source: Sixth Economic Census; Bain & Company analysis

This will put India at par with several emerging and advanced economies where more than 40% of all enterprises are women-owned. Further, the total employment will bridge nearly 25% of the jobs required to absorb the working-age population in 2030. Given the continued scarcity of work opportunities, entrepreneurship allows women to be self-sustaining, giving them greater flexibility and control vs. salaried employment while also creating jobs.





UNDERSTANDING SEGMENTS AND BARRIERS

Methodology

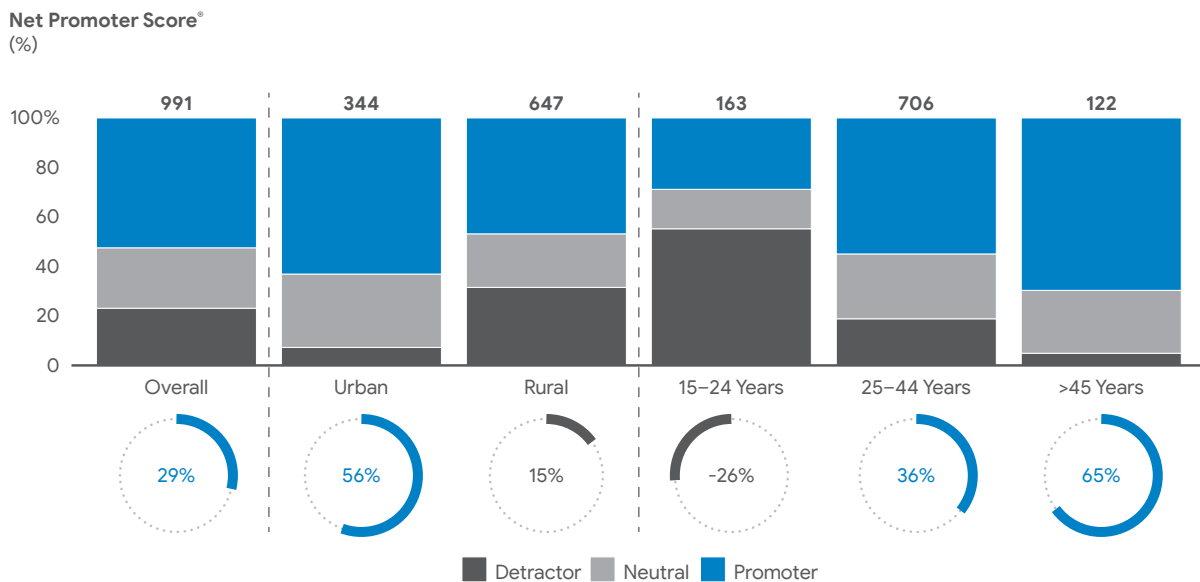
While the opportunity for women’s entrepreneurship is huge, entrepreneurship in India takes a variety of forms. It is critical to identify the various segments of entrepreneurs, and how they differ in motivations, advocacy and constraints. We had in-depth conversations with more than 60 women entrepreneurs, organised multiple focus group discussions and conducted a granular survey with more than 1,100 women across rural, semi-urban and urban India. Although there are numerous parameters on which to segment entrepreneurs, we identified a few dominant dimensions that help understand patterns and lead towards focused solutioning.

Across our interactions, we delved deeper to understand advocacy, motivations, ambitions and constraints of the entrepreneurs.

To assess advocacy, we asked women entrepreneurs if they would recommend entrepreneurship to other women. Older entrepreneurs primarily in urban areas were strong advocates, while young women with limited experience in entrepreneurship were primarily detractors (see Figure 9).

Note: Net Promoter Score (NPS) is a simple, easily understandable score that helps assess the strength of advocacy for an experience, product or service, amongst respondents. It is calculated based on respondents’ likelihood to recommend an experience (in this case, entrepreneurship as an experience) based on the NPS question. Calculation of Net Promoter Score = % promoters - % detractors.







Figure 9: Urban and experienced women entrepreneurs are promoters of entrepreneurship



Notes: Ratio of urban, rural, and agri women-owned enterprises in survey is similar to that in India; Net Promoter Score® is calculated as (promoters-detractors) divided by the sum of all respondents
 Sources: Bain Women and Entrepreneurship Survey 2019 (n=1128); operational businesses only; survey question: On a scale of 0-10, how likely are you to recommend entrepreneurship or starting a self-owned business to your sister or daughter?

Six segments of women entrepreneurs

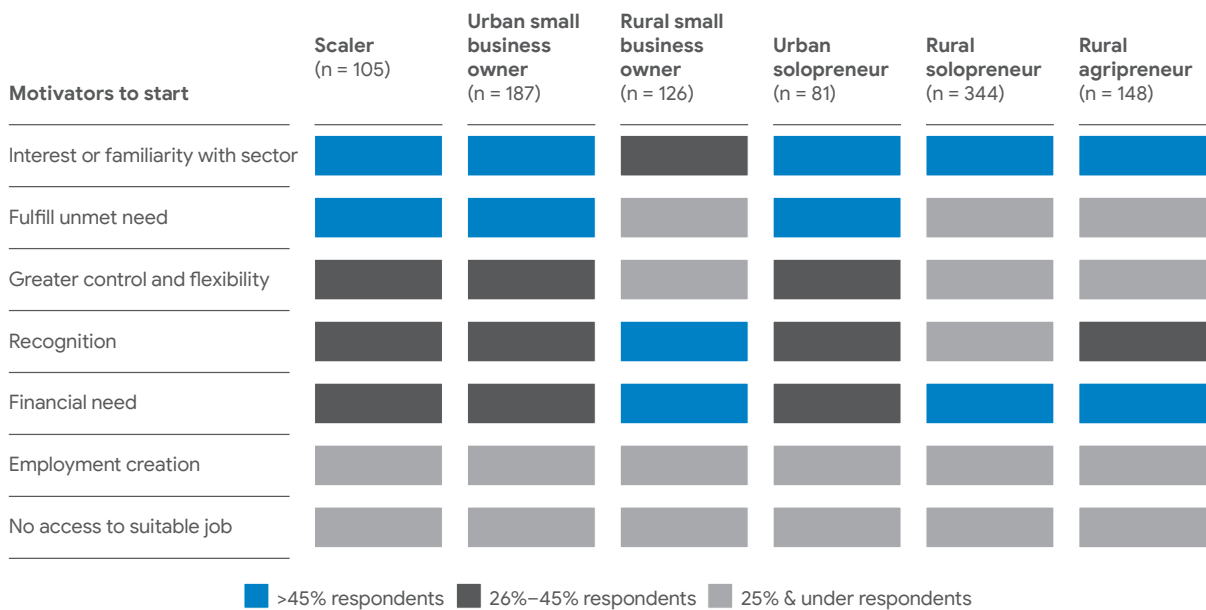
Given India's economic and geographic diversity, successful intervention requires understanding and tailoring initiatives for budding and established entrepreneurs. There are six dominant segments with varying demographics, motivations, ambitions and constraints. Understanding these segments will help identify the right opportunities and frame the necessary institutional, economic and social support for entrepreneurship.

Segment	Percentage of women-owned enterprises	Overview
Scaler 	<p><1%</p>	<ul style="list-style-type: none"> Rural or urban women with non-farm businesses Generate more than INR 50 lakh in revenue or employ more than 10 people Operate from a formal office setting Value growth, recognition and wealth creation
Urban small business owner 	<p>~6%</p>	<ul style="list-style-type: none"> Operators of small urban businesses Generate less than INR 50 lakh in revenue, and typically employ less than 10 people Serving a large, local customer base, they operate from an office or a co-working space Value the steady income potential from entrepreneurship
Rural small business owner 	<p>~8%</p>	<ul style="list-style-type: none"> Operators of small rural non-farm local businesses Generate less than INR 50 lakh in revenue, and typically employ less than 10 people Operate from homes or a community centre Often driven by financial necessity, they value the steady income their business provides
Urban solopreneur 	<p>~31%</p>	<ul style="list-style-type: none"> Urban, self-employed women Typically generate less than INR 50 lakhs in revenue Usually work from home, occasionally with parttime help Value the flexibility entrepreneurship brings, and the ability to generate income and be productive
Rural solopreneur 	<p>~38%</p>	<ul style="list-style-type: none"> Rural non-farm, home-based business owners Generate supplemental household income by selling individually or through collectives Value entrepreneurship for the petty supplemental income it provides; operate the business as a secondary priority to household work
Rural agripreneur 	<p>~16%</p>	<ul style="list-style-type: none"> Farm-based business owners, focused on growing and selling agriculture products for profit May employ people formally Mobility constraints mean they usually work full time but from home, selling primarily through offline channels such as markets or distributors Are engaged as entrepreneurs due to necessity, given absence of other income opportunities

Motivations

Women in each of these segments are motivated by differing factors. Financial need, interest in product or sector and recognition are the most commonly occurring motivators. Most rural entrepreneurs are driven by financial need or “necessity entrepreneurship”. Urban entrepreneurs tend to be motivated by opportunity, especially recognising unfulfilled needs and interest in specific sectors (see Figure 10).







Figure 10: Motivations to start up by segment



Note: % of survey respondents calling this out as a motivator to start their business
 Source: Bain Women and Entrepreneurship Survey 2019 (n=1128), operational businesses only considered (n=991)

Advocacy and Challenges

There is also a stark difference between the advocacy of women entrepreneurs in each of these segments, which reflects their original motivations as well as constraints and support environment. A deeper understanding of each of these reveals a variety of constraints, with very specific nuances and realities that influence the experience of each segment.

Segment	Net Promoter Score	Challenges
Scaler 	<ul style="list-style-type: none"> • 58% • Over 2/3rd are promoters, driven by better control and independence, and a greater opportunity to generate income 	<ul style="list-style-type: none"> • 49% find unequal access to finance, due to lack of parity with investors, and difficulty in navigating complex banking instruments • 49% struggle with lack of professional support due to limited inclusion in formal and informal networks, and absence of co-founders
Urban small business owner 	<ul style="list-style-type: none"> • 52% • Nearly 60% are promoters, driven by better control and independence, and a greater opportunity to generate income 	<ul style="list-style-type: none"> • 55% struggle with lack of awareness of relevant financing schemes from the government or banks. Not wanting to raise equity finance, these entrepreneurs are also discouraged by the banking system due to complex and tedious paperwork, and long approval times, which leads them to turn to friends, family and personal savings to fund their ambitions • ~50% cite cultural constraints and absence of relatable role models as large inhibitors to scaling • ~45% struggle with insufficient avenues of mentorship and network development
Rural small business owner 	<ul style="list-style-type: none"> • -11% • Nearly 50% are detractors, due to unpredictability of income and a large financial burden 	<ul style="list-style-type: none"> • 44% believe that lack of structured knowledge and skills is a huge inhibitor to scaling • 43% find that lack of professional support from family and spouse, often in turn caused by societal biases, limits growth
Urban solopreneur 	<ul style="list-style-type: none"> • 57% • Over 2/3rd are strong promoters, due to the opportunity to grow professionally while maintaining personal priorities, and having strong control 	<ul style="list-style-type: none"> • 52% cite low professional support, due to inability to access formal out-station incubators and other structured channels for relevant skill development • 47% are inhibited by a strong sense of selfdoubt, coupled with limited encouragement from family
Rural solopreneur 	<ul style="list-style-type: none"> • 42% • Over 60% are strong promoters due to income generation potential, and avenues for recognition 	<ul style="list-style-type: none"> • Nearly 50% struggle with absence of the social permission to work, few community-level role models and consequent low self-confidence
Rural agripreneur 	<ul style="list-style-type: none"> • -30% • Over 50% are detractors due to a heavy financial burden, high risk and absence of stability in the business 	<ul style="list-style-type: none"> • 50% struggle with high risk aversion, low selfconfidence emerging from absence of knowledge, funds or other alternatives to generate an income • Around 40% are constrained by absence of any sort of structured knowledge of customers, suppliers and market trends

While motivations, advocacy and challenges manifest differently across segments, five common themes emerge:

- **Women have strong growth ambitions:** Whether motivated by necessity or opportunity, women want to scale their enterprises. More than 90% of the respondents had aspirations to grow, though ambitions are bolder and clearer for scaled entrepreneurs and small business owners compared to the solopreneurs.
- **Limited access to business and technical skills:** Despite an increasingly educated population, limited access to relevant business and technical skills is a major impediment in scaling and tapping the necessary resources.
- **Women are less integrated with formal and informal networks:** Which constrains their ability to access business opportunities, mentors and informal knowledge.
- **Access to funds remains constrained:** Low personal savings and assets, limited financial support from friends and family, and a lack of funding from banks or private investors makes it hard to start, grow and scale. Despite evidence suggesting that women-owned enterprises are profitable segments that demonstrate greater brand loyalty, higher savings percentages and similar repayment rates as male-owned enterprises, limited access to finance continues to impact women disproportionately. This is often compounded by lower access to business and technical skills.
- **Personal and social challenges are a big hurdle for most women:** Social permission to work can be difficult to obtain because of cultural practices, social beliefs and safety concerns. Balancing a business with often-unpaid roles as caregivers, household managers and home-based workers is difficult. Women's own attitudes towards outside work, including low confidence and fear of failure, also inhibit potential entrepreneurs.

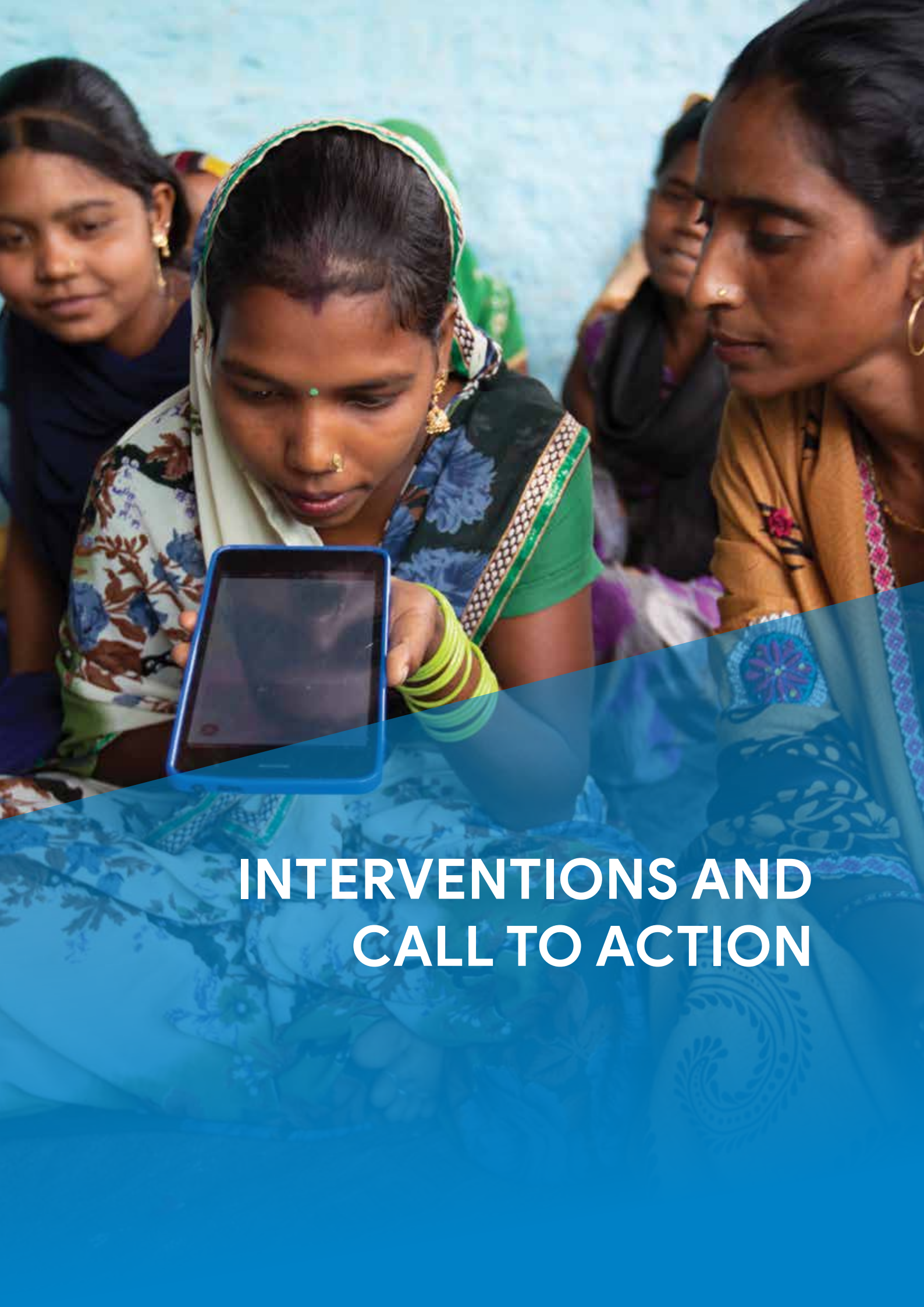
Cultural conundrum

Any efforts to spur entrepreneurship among women must acknowledge the overarching importance of social and cultural factors that affect the engagement and financial autonomy of women. Of the women entrepreneurs surveyed, 69% attested to these factors as one of their greatest obstacles.

In many parts of India, women are often discouraged to seek financial autonomy or independence outside of home, whether for reasons of social conditioning, culture, safety or status.

- Equal rights to property or assets is often ignored. Women defer to fathers, brothers, husbands or sons, both in asset ownership and financial decision making. The lack of collateral and financial autonomy limits funding and access to external capital.
- At the household level, women's assumed role as primary caregivers and household operators means any professional work outside is secondary.
- Lack of confidence and self-doubt can be difficult to overcome without external support and partnership. Women perceive themselves at a considerable gap to men, on several critical entrepreneurial skills such as team building, networking and risk taking.
- Finally, reduced mobility because of primary caregiving responsibilities and safety considerations is another hurdle to women's employment or entrepreneurship.


Systematically addressing these underlying beliefs and challenging these norms must be an integral part of any broad-scale initiative to champion entrepreneurship and its capacity to generate large-scale employment among women in India. To be effective, stakeholders must align with, emphasise and model this messaging throughout the Indian ecosystem.



INTERVENTIONS AND CALL TO ACTION

Emerging Opportunities

While audacious, the goal of accelerating female entrepreneurship to match advanced countries and generate an estimated 150-170 million jobs is achievable. It will require a transformational and systematic approach to counter the challenges faced by potential entrants and existing women entrepreneurs, and drive ambition in a bold and broad-based manner. There are four key opportunity areas that can unlock the potential of women entrepreneurship in India, each requiring a dedicated but coordinated focus.

Opportunity	Who they are
 <p>Level the playing field for high-impact entrepreneurs</p> <p><i>Imperative:</i> Maximise chances of success by establishing a level playing field for access to capital and business networks, especially informal networks</p>	<p>Established high-growth entrepreneurs with annual revenue or employment growth of more than 20%:</p> <ul style="list-style-type: none"> • Includes scalers and high-growth small business owners • Having crossed initial barriers, these proven entrepreneurs have the highest job creation potential • Aspire to amplify their economic contribution by generating external growth opportunities • Given greater propensity to hire more women, these entrepreneurs have a multiplier effect on overall job creation and female labour force participation
 <p>Prime the “willing middle” for growth</p> <p><i>Imperative:</i> Enable the willing and ambitious solo and small business owners to scale by expanding access to structured knowledge as well as finance and market opportunities</p>	<p>Women who have experienced initial success and demonstrate the confidence and ambitions to scale:</p> <ul style="list-style-type: none"> • Includes solopreneurs or small business owners across urban and rural India with aspirations to scale • Aspire to go beyond creating employment and income for themselves • Business ideas have been market-tested and proven to be scalable • Often challenge and break away from societal biases and cultural norms
 <p>Expand the top of the funnel</p> <p><i>Imperative:</i> Encourage entry by demonstrating better outcomes for self and family, simplifying access to opportunities and skill</p>	<p>Working-age women who are currently not in the workforce but have the desire to enter the workforce, often while continuing to respond to domestic priorities:</p> <ul style="list-style-type: none"> • Homemakers or formerly employed women who chose to opt out to attend to personal priorities • Need to regain their confidence as well as support from their immediate ecosystem to take the leap
 <p>Cultivate productive rural agripreneurs</p> <p><i>Imperative:</i> Targeted interventions to create more vibrant, financially viable, attractive and hence aspirational agri-business models</p>	<p>Rural women who run agricultural enterprises out of financial necessity:</p> <ul style="list-style-type: none"> • Sell through local markets and distributors as a means of generating supplemental income • Remain tied to farm work and income, especially as the rural male workforce migrates seasonally • Lack the skills, confidence and economic support to build sustainable, reliable businesses and scale them • Mobility and social interaction often remains restricted

Capitalising on these opportunities requires a series of interventions across economic, social and personal factors. Effective solutions must address the existing gaps through thoughtful interventions and partnerships among grassroots organisations, government, private enterprises and educational institutions. A few critical overarching themes affect the overall state and progress of female entrepreneurship in India. Many of these apply to both women and men, but due to the social and economic context, women tend to be far more constrained by the absence of these, than men. Crucially, these manifest in very specific actions for each of the four opportunity areas (for more details, refer to the appendix).

Call to action

- **Integrated policy framework for accelerating entrepreneurship amongst women, with an emphatic inclusion of semi-urban and rural India**
 - A national mission, housed in the PMO , and with CMs, at the state level to lead the charge on women's business ownership, with a mandate to develop a coordinated plan across public and private agencies
 - Tailored policies to enable women-friendly sectors as well as enterprises sizes—for example, crops more accessible to rural women or women-friendly sectors, small and medium enterprises, as well as micro and more informal enterprises
 - Expand the number of SHGs across India
 - Accelerate and scale enabling programs such as Startup Village Entrepreneurship Program , with a specifically articulated focus on supporting women SHGs on enterprise development
 - Easier entrepreneurial environment across the ecosystem, including for smaller, more traditional and informal enterprises that tend to appeal to women
- **Equal access to finance through broad-based gender responsiveness across the financing sector**
 - Women-focused funding initiatives led by the investing community, including dedicated pitch days and funds dedicated to women-led companies
 - Existence and fair disbursement of tailored financial products, such as lending with no collateral or innovative collateral, smaller-sized loans (even smaller than Shishu loans in Mudra), bundled business enablement services
 - One-stop loan portals (online, physical) to provide information, guidance and support to access all existing public and private instruments
 - Simplified and transparent loan application process across the country, with fast-tracked disbursement enabled by a robust women-run applicant support mechanism
 - Integrated implementation plan, including clear actions, budgeting, targets, supporting training and accountability within the banking system to track progress, root causes and a corrective feedback loop
- **Increased and creative access to capability development and mentorship**
 - Broad-based increase in the number of incubators and accelerators, including remote (online) accelerators, tailored to the unique constraints and skill requirements of women
 - Special focus on establishing incubators focused on sectors that are traditionally male dominated to ensure entrepreneurship is not reinforcing prevailing gender stereotypes
 - Targeted online programmes, including sector-specific online courses and start-up guides, for starting and scaling businesses in India
 - Grassroots digital literacy and enablement for women entrepreneurs to access wider technical and market knowledge
 - Strong individual action through “pay it forward” mentorship, especially championing women across the entrepreneurship ecosystem
 - Cross-pollination of best practices to replicate and scale successful mentorship models and forums across the country

- **Tighter integration in to formal and informal networks**
 - Informal and inclusive support networks championed by male and female entrepreneurs to facilitate exchange of ideas, information, capital, and formal and informal counsel
 - Local, women-only networking programmes such as at a village, panchayat or city-level to spur entrepreneurial engagement and participation across India
 - Government-led programmes enabled by public-private partnerships to provide direct access to technical and business counselling as well as public market opportunities
 - Encouragement for integration of women entrepreneurs into corporate value chains enabled by a reassessment of corporate social responsibility norms; scale examples such as Godrej Salon-i have the potential to be replicated broadly
- **Creation and celebration of role models**
 - Cross-media campaigns led by national and state governments to celebrate successes of individuals and communities to drive positive attitudes
 - Mainstreaming of a diverse set of female and male entrepreneurs to break beliefs around stereotypes (for example, parental roles) by various media across urban, semi-urban and rural India
 - Encouragement of entrepreneurship in gender-balanced ways (for example, case studies, guest lectures), among tertiary learning institutions

The success of implementing these solutions for prospective and current women entrepreneurs will depend on an integrated and comprehensive framework. Women's economic empowerment will require government and policy makers, the banking ecosystem, investment community, private sector, focused catalysts, and women entrepreneurs to collaborate (see Figure 11). As an example, women-friendly selection norms for public procurement by the state or local governments support high-impact entrepreneurs, the "willing middle" and the top of the funnel. Gender sensitisation and training for the banking community can enhance financial access for all women entrepreneurs. Focused initiatives such as women-only self-help groups and incubators can improve networking and mentorship, tackling two of the social challenges to entrepreneurial success; especially in rural and semi-urban India.

For true advancement and employment gains, women's entrepreneurship is a compelling solution to realise the demographic dividend, engage the female population, and accelerate social and economic outcomes. While entrepreneurship brings its unique challenges and positives relative to traditional employment, easing the environment and addressing gender-specific constraints will exponentially increase the vibrancy, returns and multipliers for India.

Figure 11: The entire ecosystem will have to come together to move the needle where the government has a critical role

	Level the playing field for high-impact entrepreneurs	Prime the “willing middle” for growth	Expand the top of the funnel	Cultivate productive rural agripreneurs
Government and policy makers	<p>Launch a dedicated National and state level mission for Women Entrepreneurship to lead and/or catalyse transformational interventions across India</p>			
	<p>Accelerate and simplify access to public procurement for women-owned business via defined supplier selection norms</p>		<p>Simplify policy framework to push scaling of women Farmer Producer Organisations (FPOs) across various crops</p>	
	<p>Expand state-level incubators and mentorship platforms across India</p>		<p>Infrastructural support and capacity building for women farmers</p>	
	<p>Implement nation-wide campaigns to celebrate successful women entrepreneurs</p>		<p>State-level policies to help grow and be productive</p>	
Banking ecosystem	<p>Transparent and simple access to banking instruments and policy interventions to define accountability and tracking</p>		<p>Women-specific days or hours of dedicated service (Women Wednesdays)</p>	
	<p>Gender sensitisation and training of banking community and branch-level employees to create one stop portal and transparent reporting of women’s financial access</p>			
	<p>Customised instruments for first-time women borrowers with no or innovative collaterals and flexi-payment schedules for new businesses</p>			
Investing community	<p>Funds dedicated to companies owned and led by women</p>			
	<p>Amplification of champion investors</p>	<p>Awareness of equity investment especially impact investors</p>		
	<p>Women-focused pitch days</p>			
Focused catalysts (SHGs, community organizations, role-models)	<p>Celebration of diverse and relatable women role-models</p>			
	<p>Women-only, sector-specific incubators and accelerators to drive targeted networking and mentorship</p>			
	<p>Sector-specific online courses and training platforms for scaling</p>		<p>Sector-specific workshops, certificate courses and training to drive participation in women-friendly and growing sectors</p>	
Private sector	<p>Digital enablement and access to women networks for ideas, insights and connects</p>			
	<p>Value chain integration enabled by reassessment of CSR norms</p>			
				<p>Taluka-level support to enable aid to women in accessing finance</p>
				<p>Enable SHGs to holistically support creation and scaling of enterprises</p>
Entrepreneurs	<p>Pay-it forward mentorship by all leaders and successful entrepreneurs</p>			





APPENDIX - INTERVENTIONS BY OPPORTUNITY

Level the playing field for high-impact entrepreneurs

Who are they?	<p>Established high-growth entrepreneurs with annual revenue or employment growth of more than 20%:</p> <ul style="list-style-type: none"> • Includes scalers and high-growth small business owners • Having crossed initial barriers, these proven entrepreneurs have the highest job creation potential • Aspire to amplify their economic contribution by generating external growth opportunities • Given greater propensity to hire more women, these entrepreneurs have a multiplier effect on overall job creation and female labour force participation
The imperative	Maximise chances of success by establishing a level playing field for access to capital and business networks, especially informal networks

Key interventions

Equal access to finance:

- Simplified and transparent loan application process across the country, with fast-tracked disbursement enabled by a robust applicant support mechanism
- Women-focused funding initiatives, including dedicated pitch days, that encourage women entrepreneurs to build affinity and confidence with the investor community and funds dedicated to women-led companies
- Amplification of champion investors—greater visibility of investors and mentors of women entrepreneurs, especially those with successful business performance

Tighter integration in formal and informal ecosystem:

- Women-focused scaling accelerators with sponsorship from influential female and male leaders to generate targeted mentorship opportunities, strategic guidance and operational support
- Individual “pay it forward” mentorship pledge across the existing entrepreneurship ecosystem
- Informal and inclusive support networks with champion male and female entrepreneurs to facilitate an exchange of ideas, information, capital, and formal and informal counsel

Celebration of role models:

- Celebration of a variety of relatable role models by niche as well as general media
- Mainstreaming of a diverse set of female and male entrepreneurs to break beliefs around stereotypes (for example, parental roles) by various media across urban, semi-urban and rural India
- Encouragement of entrepreneurship in gender-balanced ways (for instance, case studies, guest lectures), among tertiary learning institutions

Prime the “willing middle” for growth

Who are they?	<p>Women who have experienced initial success and demonstrate the confidence and ambition to scale</p> <ul style="list-style-type: none"> • Includes solopreneurs or small business owners across urban and rural India who have aspirations to scale • Aspire to go beyond creating employment and income for themselves • Business ideas have been market-tested and proven to be scalable • Often challenge and break away from societal biases and cultural norms
The imperative	<p>Enable the willing and ambitious solo and small business owners to scale by expanding access to context specific knowledge, finance and market opportunities</p>

Key interventions

Financing awareness and access:

- One-stop loan portals (online, physical) to provide information, guidance and support to access all existing public and private instruments
- Tailored financial products, including lending with no collateral or innovative collateral, such as household assets (for example, jewellery), registry for movable assets and smaller-sized loans
- Simplified and transparent loan application process, with fast-tracked disbursement enabled by a robust women-run applicant support mechanism
- Strong training and accountability within the banking system to track progress, identify root causes and create a corrective feedback loop
- Greater awareness of equity investment and support to access impact investors

Targeted mentorship and community role models:

- Focused women-only networks and forums to foster structured connections with investors, suppliers, customers, cascading across metro as well as tier-1, tier-2 and tier-3 cities
- Government-funded campaigns that highlight success stories of entrepreneurs and their families, emphasizing holistically better outcomes, disseminated via traditional as well as digital platforms such as YouTube

Customised capability programmes:

- Expansion of accelerators outside of metro cities to broaden access to various elements of scaling know-how (for example, financial planning, bookkeeping, investor pitches, negotiations, digital marketing, taxation, compliances)
- Broad-based and sector-specific online courses and content for scaling businesses in India

Institutional market access support:

- Robust implementation of public procurement, supported by ease of application and facilitative supplier eligibility norms
- Greater encouragement for integration of women entrepreneurs into corporate value chains enabled by a reassessment of corporate social responsibility norms
- Diversity in trade expositions, including women-only trade exhibitions

Expand the top of the funnel

Who are they?	<p>Working-age women who currently are not in the workforce but have the desire to enter the workforce, often while continuing to respond to domestic priorities</p> <ul style="list-style-type: none"> • Homemakers or formerly employed women who chose to opt out to attend to personal priorities • Need to regain their confidence as well as support from their immediate ecosystem to take the leap
The imperative	Encourage entry by demonstrating better outcomes for self and family, simplifying access to opportunities and skill

Key interventions

Focused skill development:

- Sector-specific workshops, certificate courses and training programmes to increase participation in women-friendly and growing sectors such as online reselling, home chefs, tailoring, counselling
- Online training and education programmes, including remote start-up incubators, to teach basic and practical business skills, along with access to resources, digital coaches and networks to drive continuous engagement
- Digital literacy campaigns to enable skill building and monetisation via corporate interventions similar to Amazon Saheli to onboard women entrepreneurs on a digital storefront and find opportunities beyond the locality

Driving financial awareness and access:

- Simplified and transparent loan application process for first-time borrowers
- Availability and disbursement of tailored, women-friendly financial products, such as small-sized, innovative collateral loans
- Showcase openness of the banking system by having women-dedicated days or hours (for example, Women Wednesdays)

Community-level role models and mentors:

- Local, specific women-only networking programmes such as at a village, panchayat or city level to spur entrepreneurial engagement and participation across India
- Digital question-and-answer platforms in which women can share ideas and glean insights from existing entrepreneurs
- Government-funded campaigns that highlight success stories of entrepreneurs and their families, emphasizing holistically better outcomes, disseminated via traditional as well as digital platforms such as YouTube
- Mainstreaming of a diverse set of female and male entrepreneurs to break beliefs around stereotypes (for example, parental roles) by various media across urban, semi-urban and rural India

Cultivate productive rural agripreneurs

Who are they?	<p>Rural women who run agricultural enterprises out of financial necessity</p> <ul style="list-style-type: none"> • Typically farm-based, they sell through local markets and distributors as a means of generating supplemental income • Remain tied to farm work and income, especially as the rural male workforce continues to migrate to urban areas • Lack the skills, confidence and economic support to build sustainable, reliable and scale businesses; additionally, mobility and social interaction often remains restricted
The imperative	<p>Targeted interventions to create more vibrant, financially viable, attractive, and hence aspirational agri-business models</p>

Key interventions

Systemic support in production of crops and allied sectors that are more accessible to women:

- Implement policy measures to provide infrastructural and capacity-building support to women farmers, and make sectors more accessible to women
- Expand “for women” and “owned by women” segments to include niche, lucrative opportunities such as organic produce, medicinal plants and the like

More in numbers and stronger women farmer producer organisations:

- Development of women farmer producer organisations across various crop sectors
- Digitally-enabled knowledge and capacity building to ensure year-round relevance and income
- State-level policies to provide tactical productivity and support to grow each sector

Finance awareness and access:

- Taluka-level enablement led by female officers to aid women in accessing banking and government financial schemes, including doorstep distribution and collections
- Tailored policies for innovative collateral-based lending—examples include registry for movable assets, spouses with fixed assets act as a guarantor
- Bundled financial services solutions with flexible repayment schemes, such as small-ticket loans, crop insurance and equipment leasing, among others
- Transparent and comprehensive reporting process on implementation of announced financial incentives on overdraft access and access to Mudra loans for eligible sectors

Expansion and enablement of self-help groups to mobilise entrepreneurship:

- Expand the number of SHGs across India
- Accelerate and scale enabling programs such as Startup Village Entrepreneurship Program , with a specifically articulated focus on supporting women SHGs on enterprise development
- Train educated women in previously absent but crucial enabling roles such as agri-trainers



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