

How good is India for women to start a business?

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Is India's policy and industry ecosystem favourable for women entrepreneurs?

If the findings of a study conducted by WEConnect International in Bangalore, the country's unofficial start-up capital, are any indication, most women aspiring to start businesses face several challenges, including lack of market access and availability of finance.

The study, 'Roadmap 2020 and Beyond', found that 75 per cent of women entrepreneurs find access to finance as challenging at the start of their business.

During expansion, nearly 78 per cent of them have difficulty in attracting investors. Sixty-eight per cent of women-owned firms depend on personal finances to fund their enterprise, while only 20 per cent access institutional debt and a mere 4 per cent are angel or venture capital-funded.

The study was released at 'Think Big!', WEConnect International's first conference held recently in Bangalore for women entrepreneurs, which drew more than 250 business delegates, many of them international.

WEConnect International is non-profit organisation engaged in promoting women-owned businesses.

The study, prepared by WEConnect in partnership with Quantum Leaps and Athena Infonomics, also said 90 per cent of the 200 women entrepreneurs interviewed in Bangalore found access to markets challenging, and 22 per cent of respondents felt that its policy and industry ecosystem does not favour women at all.

Angel fund

These numbers appear only locally relevant at first, but the question arises: if India's start-up capital reflects a certain reality for women entrepreneurs, how is the rest of the country going to fare on scrutiny?

Some announcements at the conference were, therefore, well-timed.

M. N. Vidyashankar, Principal Secretary, Commerce and Industries of Karnataka, said: "We're launching an angel fund early in 2014 and we're the first State in the country to do so.

"The fund will be managed by industrialists and professionals with little or no government interface. Money is not an issue here, it is our business to promote your business".

An R&D funding scheme and the first incubator exclusively for women entrepreneurs are also in the offing.

Code of conduct

The Think Big! conference also saw the launch of Royal Bank of Scotland's supplier diversity code of conduct for companies, which aims to bring women vendors into corporate supply chains. At the event, many multinationals made a commitment to this as well.

Similar studies will also be conducted in smaller cities of Karnataka.

For city roadmaps in India, the team's next stops are Hyderabad and New Delhi.

"The findings of the study may inform the Centre to create a percentage set aside for public procurement from women-owned businesses," said Sucharita Eashwar, Executive Director India for WEConnect International.

She added that more than 600 women entrepreneurs are part of the network in India

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