



Scaling the Ladder: Exploring the Growth Potential for Women-Led Nano Enterprises



STUDY REPORT
March 2024

Acknowledgements

This study was undertaken by LEAD at Krea University and supported by Ambuja Foundation. The research team would like to thank Asmita Naik Africawala and Anagha Mahajani for their valuable inputs on the study design. The research team would also like to thank Manjusha Doshi and the Ambuja Foundation team for facilitating the data collection and study participants for their time and the insights shared with the team.



Disclaimer

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Introduction

Background



Dhaneshwari Katare
Bamboo Artisan

In India, women empowerment has been a focal point of national growth strategies, policies, and the constitution, aimed at ensuring economic independence, equity, and development of women. Despite women constituting nearly half of India's population, roughly only one-third participate actively in economic activities. The Labour Force Participation Rate (LFPR)¹ for females (aged 15 yrs and above) has gained momentum, but has only managed to increase from 23% in 2017-18 to 37% in 2022-23.² One significant avenue for empowering women is through the development of nano and micro-enterprises, which are seen as an effective means to combat poverty at the grassroots level by generating employment and income.³

According to the NSSO, in 2023, 65% of women who participated in the labour force were self-employed. Of those who participated in the workforce ~28% were **solopreneurs** i.e. they were the employer and the sole worker in their own enterprise, while 37% were helpers in household enterprise.² These household enterprises can be viewed as **"nano-enterprises"** i.e. MSMEs with an annual turnover of less than Rs. 1 crore. These are hyper local businesses such as run small retail or kirana shops, tailoring units, beautify parlours, restaurants, repair shops etc. Efforts to promote self-employment among women gained momentum, schemes for unlocking credit, training and incubation programs targeting women have been implemented by both government and private efforts leading to an increase in nano enterprises. The women solopreneurs have increased from 20% in 2017-18 to 28% in 2022-23.⁴

Table 1: Percentage distribution of workers in usual status (ps+ss) by status in employment estimated from PLFS 2022-23

	Rural					Urban				
	Solopreneur (Own Account Worker & Employer)	Helper In Household Enterprise	Regular Wage /Salary	Casual Labour	Total	Solopreneur (Own Account Worker & Employer)	Helper In Household Enterprise	Regular Wage /Salary	Casual Labour	Total
Male	48%	11%	14%	27%	100%	35%	5%	47%	13%	100%
Female	28%	43%	8%	21%	100%	28%	13%	51%	8%	100%
Overall	41%	22%	12%	25%	100%	33%	7%	48%	12%	100%

Source: Annual Report, Periodic Labour Force Survey, Government of India, 2023

As of the year ended 2023, 1.17 crore women entrepreneurs had registered themselves on the Udyam Registration Portal. They represent 37% of the total (i.e. 3.16 crore) informal and formal enterprises registered on the portal.⁵ Despite the increase in the number of women entrepreneurs, the gender gap in business performance has been well-documented in economic research. Studies highlight a consistent pattern: female-led businesses tend to report lower turnover and profit compared to those led by males. The reasons for this disparity are multifaceted and the business economics i.e. investment, revenue, profits etc are affected by the very nature of the role of women in society, perception towards and opportunities afforded to them in everyday life.

Access to Capital and Business Size

Financial institutions often undervalue the creditworthiness of female entrepreneurs, due to factors such as lack of collateral and credit history resulting in a disproportionate allocation of loans. This limited access to financial resources directly translates into smaller business sizes and constrained growth potential, further widening the profitability gap.⁶

Work-life Balance and Growth

Women entrepreneurs often prioritize work-life balance more and do not pursue aggressive expansion strategies that could disrupt this equilibrium.⁷ This cautious approach to risk while limiting the risk of failure also reduces the likelihood of high-profit returns.

Networks and Income

Extensive and varied connections and networks are often instrumental in unlocking new business opportunities, securing mentorship, and accessing diverse resources, all vital for business growth and increased profitability.⁸

Competition and Profitability

Women entrepreneurs do tend to find success in sectors like retail and small-scale manufacturing, which are generally characterized by lower barriers to entry in terms of capital requirements. However, these sectors are also known for their high level of competition and comparatively lower profit margins, which can cap the growth potential of the businesses operating within them.

While these themes of barriers faced by women entrepreneurs have emerged in international studies, there is a need to undertake a multidimensional research of women entrepreneurs in India. This study is an attempt to understand women-led nano enterprises that have emerged from SHG groups in a specific rural geographical region.

Objective

This research is aimed at profiling women-led nano enterprises in Bhatapara, Chhattisgarh who are all members of Self-Help Group which are promoted by the Ambuja Foundation. The Foundation has done considerable work to help communities and empower women in Bhatapara, Chhattisgarh. The SHGs of which the women are members have helped the enterprises access and manage finance, create bank accounts, avail skill training, develop business plan, helped network with vendors, build marketing strategy etc.

The primary objective of this study is to conduct an in-depth analysis and profiling of enterprises. The study focuses on the following key research questions:

What are the profiles of the nano women entrepreneurs?

How can these nano enterprises further grow and scale?

What are the challenges and enablers of nano-enterprises?

How does entrepreneurial endeavour influence their empowerment?

What are the profiles of their enterprises?



Research Methodology

Details of Survey and Data

This research is a cross-sectional study aimed at profiling women-led nano enterprises in Bhatapara, Chhattisgarh. The study adopts the exploratory methodological approach and the sample frame included 883 individual enterprises categorized into sectors. From this individual enterprise pool, a stratified sample subset of 435 was selected (roughly 50%), which represents a statistically significant sample size for analytical rigor. This subset was selected to capture the variability of the larger group, ensuring that each sector and type of enterprise ownership was proportionately represented. Furthermore, the sample also considers the geographical spread and demographic diversity within the region to account for variations that could influence business operations and outcomes.

The study sample is divided into enterprise sectors: Manufacturing (number of enterprises i.e. n=215), Trade (n=155), Service (n=24) and Farm Based Enterprises (n=41). The categorization has been made based on the National Industrial Classification (NIC) codes.⁹ The chart provides the various enterprise activities undertaken by individual women nano entrepreneurs who are also members of Self-Help Groups (SHGs) across different enterprise sectors.

Enterprise Category	Enterprise Activity*
 Manufacturing	Tailoring, Flour Mill, Handicraft and others
 Trade	Food and Beverage Retail, Consumer Non-durable and Durable Retail (Vegetables, Grocery, Garments, Women Care Products, Footwear)
 Service	Beauty Parlour, Laundry and Photocopy Services
 Farm Based	Horticulture, Animal Husbandry, Dairy, Other Farm Products

*Based on NIC Codes developed by MoSPI, Govt. of India

Data was collected through a survey questionnaire in the local language. Data quality was ensured through training of enumerators, pre-testing of survey instruments, and regular data quality checks. The study also included a pilot phase to refine the methodology and data collection tools.

The questionnaire which was administered to the respondents focussed on some of the major themes of women entrepreneurship including entrepreneur demographics and enterprise characteristics, enterprise economics, enterprise operations (i.e. employment, vendor engagement, customer typology, competition etc), network and mentorship, future plans and aspirations, agency of women entrepreneurs within household and time-use etc.

LEAD follows strict data security protocol which has a set of clear guidelines on data security measures that is followed in all research projects. Surveyors are made to sign a Data confidentiality agreement and the data is securely handled by protecting rights of the respondents. Every research project in LEAD goes through the Institutional Review Board and it is ensured that the tools (questionnaire) used during the survey do not violate the socio-cultural values and sensitivities of the participants. Respondents' consent is taken before being surveyed.

What are the profiles of women nano entrepreneurs?



Silochna Dhurw
Sweet and Snacks
Shop Owner

Over 22% of the entrepreneurs were aged between 26 to 30 years while 46% of them were in the age group 31 to 40 years. For close to 82% of the entrepreneurs, schooling was the highest level of education attainment and 7% of them have undergraduate degrees. It is important to note that majority of the women (94%) are married and 70% live in households that avail benefits of the Public Distribution System under the Pink i.e. Antyodaya ration card (given to BPL households). Around 76% reported that they belong to OBC while 21% were SC/ST. While 55% of the entrepreneurs owned a smartphone, 29% owned feature phones.

What are the profiles of the nano enterprises and their revenue patterns?

The enterprises were predominantly operated either as sole proprietorship (89%) or as a partnership (11%) with a member(s) of the household. While 45% of the entrepreneurs started their enterprise independently, 50% of them started the same with their spouse. Most businesses (75%) have been in operation only for the past 4 to 7 years. Most of these enterprises are in the early stages of their development with less than 1% of the enterprises having any formal registration documents such as Udyam or PAN or FSSAI etc.

Over 71% of enterprises operate from the premises of their homes, while 22% operate from a fixed premise outside their homes.



Table 2: Demographic profile of individual entrepreneurs

Age of Entrepreneur	Median Age	School	35 years
Education Attainment	Education (5th to 12th)		82%
	Bachelor Degree		7%
Marital Status	Married		94%
Antyodaya Ration Card (BPL)	Pink Card		70%
Ownership of Mobile	Has own phone		85%
Caste	OBC		76%
	SC/ST		21%

Table 3: Enterprise overview

Ownership: Sole Proprietorship	89%
Ownership: Women own the enterprise with her family	11%
Women entrepreneur started the enterprise independently	45%
Women entrepreneur started the enterprise with her spouse	50%
Vintage: Mean / Median	5 years
Formalisation: How many enterprises have any registration (Udyam, FSSAI, PAN etc.)	1%
Location: Within the premise of their Household	71%

ENTERPRISE SECTOR AND ACTIVITY

The enterprises are divided into the manufacturing sector (49% of all enterprises) which is majorly composed 183 tailoring units (42% of all enterprises), processing activities (flour milling, masala grinding, turmeric grinding) and making handicraft products. The trade sector (36% of all enterprises) contains enterprises engaged in food and beverage retail (44 units, 10% of all enterprises) i.e. running restaurants, selling street food, grocery retail (42 units, 10% of all enterprises) and garment and footwear retail (18 units, 4% of all enterprises). The service sector (6% of all enterprises) consists of beauty parlour, laundry and photocopy services etc. The farm based enterprises (9% of all enterprises) include horticulture, animal husbandry and dairy units.

According to the PLFS data from 2022- 2023, 55% of nano-women solopreneurs i.e. entrepreneurs who are the employer and are the sole worker in their own enterprise were involved in agriculture and allied activities, 22% were involved in manufacturing, 11.86% were involved in trade, hotel and restaurant business activities.² In the sample that was taken up for this study, there is a higher share of enterprises in the manufacturing and trade sectors while the farm based enterprises are smaller in proportion.

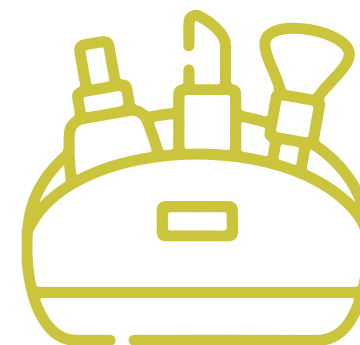


Table 4: Enterprise sector and business activity

Enterprise Sector	Enterprise Activity	No. of Enterprises	% of Enterprises	No. of Enterprises
Manufacturing	Tailoring	183	42%	215 (49%)
	Flour Mill	14	3%	
	Handicraft	11	3%	
	Other	7	2%	
Trade	Food and Beverage Retail	44	10%	155 (36%)
	Grocery Retail	42	10%	
	Speciality Store for Women (Fancy Store)	27	6%	
	Vegetable Retail	20	5%	
	Garment & Footwear Retail	18	4%	
	Other	4	1%	
	Beauty Parlour	8	2%	
Laundry Service	4	1%		
Other	12	3%		
Farm Based Enterprise	Horticulture, Dairy, Animal Husbandry	41	9%	41 (9%)

The other category includes the below business activities undertaken by enterprises such as:

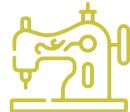
- a. **Others in Manufacturing include:** Carpentry, broom making, bricks making and cotton wicks making.
- b. **Others in Trade include:** Electrical components retail shop, commercial textile retail shop.
- c. **Others in Service include:** Operating Common Services Centre (CSC), providing training on tailoring, providing photocopy services, renting chairs, tables and tents for functions.

The data shows that a predominant number of women entrepreneurs 42% (n=183) are engaged in tailoring. These results are anticipated given that, tailoring has been the focus of several skill training programs (Pradhan Mantri Kaushal Vikas Yojana (PMKVY),¹⁰ Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) etc). A quote from an evaluation of the DDU-GKY program conducted in Karnataka captures the challenges of skilling programs, a woman mentioned that “the options offered to women are limited to tailoring and those offered to men are limited to computers.”¹¹ This is also evidenced in the clustering or proximity in the geographical location of the tailors. Data on tailors was collected from 16 villages, and it's important to note that 8 villages (i.e. 50%) housed almost 84% of the tailors. This could lead to intense competition among the entrepreneurs for a small customer pool. Unless enterprises collaboratively assess the market to provide customised products, and target different customer bases based on their skill levels and access to resources.

In the sample analysed, ~70% (i.e. 124 enterprises) of the tailors had invested Rs.20,000 or less to start their business. Some of the other factors leading to a larger number of tailoring units could be a requirement of low investment, culturally perceived as suitable work for women, requires a small space and can be operated from within the house (a woman can attend to both her household and business responsibilities), requires very little raw material and customers are readily available in the vicinity.

What are their business profiles and the business economics?

**BUSINESS ECONOMICS:
INCOME, EXPENSE AND NET PROFIT**



Janki Verma
Bag Manufacturer

BUSINESS ECONOMICS: INCOME, EXPENSE AND NET PROFIT

The average revenue of the enterprises in the last month is ~Rs.10,500 while the expenditure incurred is ~Rs.4,100. Around 98% of the entrepreneurs only operate a single business and it's their primary source of income.

Table 5: Enterprise income, expenses and net profit

	Overall (N= 434)	Farm Based (n=41)	Manufacturing (n=215)	Services (n=24)	Trade (n=154)
Revenue (monthly, ₹)					
Mean	10,553	11,305	8,224	10,792	13,567
Median	7,000	5,000	5,000	10,000	10,000
Expenses (monthly, ₹)					
Mean	4,159	4793	2,479	3,750	6,399
Median	2,000	2,000	1,000	2,000	4,000
Expense/Revenue ratio (%)					
Mean	39%	42%	30%	35%	47%
Median	29%	40%	20%	20%	40%
Sample Size	434	41	215	24	154
Profit (monthly, ₹)					
Mean	6,600	5,680	7,280	7,730	5,710
Median	5,000	3,500	5,000	5,500	4,000
Net Profit Margin, ^{12,13}(%)					
Mean	70%	70%	66%	72%	67%
Median	75%	75%	70%	75%	75%
Sample Size	430	41	213	24	152

The table shows the revenue, expenses, and net profit of enterprises from the different sectors i.e. Farm Based, Manufacturing, Services, and Trade.



Revenue

The average monthly revenue for all enterprises is Rs.10,553. The highest average revenue is in the Trade sector (Rs.13,567) and the lowest is in the Services sector (Rs. 8,224).



Expenses

The average monthly expenses for all enterprises is Rs. 4,159. The highest average expenses are in the Trade sector (Rs. 6,399) and the lowest are in the Farm Based sector (Rs. 2,479).



Profit

The average monthly profit for all enterprises is Rs.6,600. The highest average profit is in the Trade sector (Rs. 7,730) and the lowest is in the Farm based sector (Rs.5,680).



Net Profit Margin

The average net profit margin for all enterprises is 70%. The highest average net profit margin is in the services sector (72%) and the lowest is in the manufacturing sector (66%).

The table below captures the variation in the Net Profit Margin among enterprises in the Trade Sector involved in Food & Beverage Retail. It is clear that the net profit margin varies drastically even among enterprises within the same revenue (expense) category. A higher net profit margin indicates an enterprise is more efficient at converting its sales into actual profit. Enterprises within the same sector and same business activity can learn from each other how to enhance revenue and reduce costs.

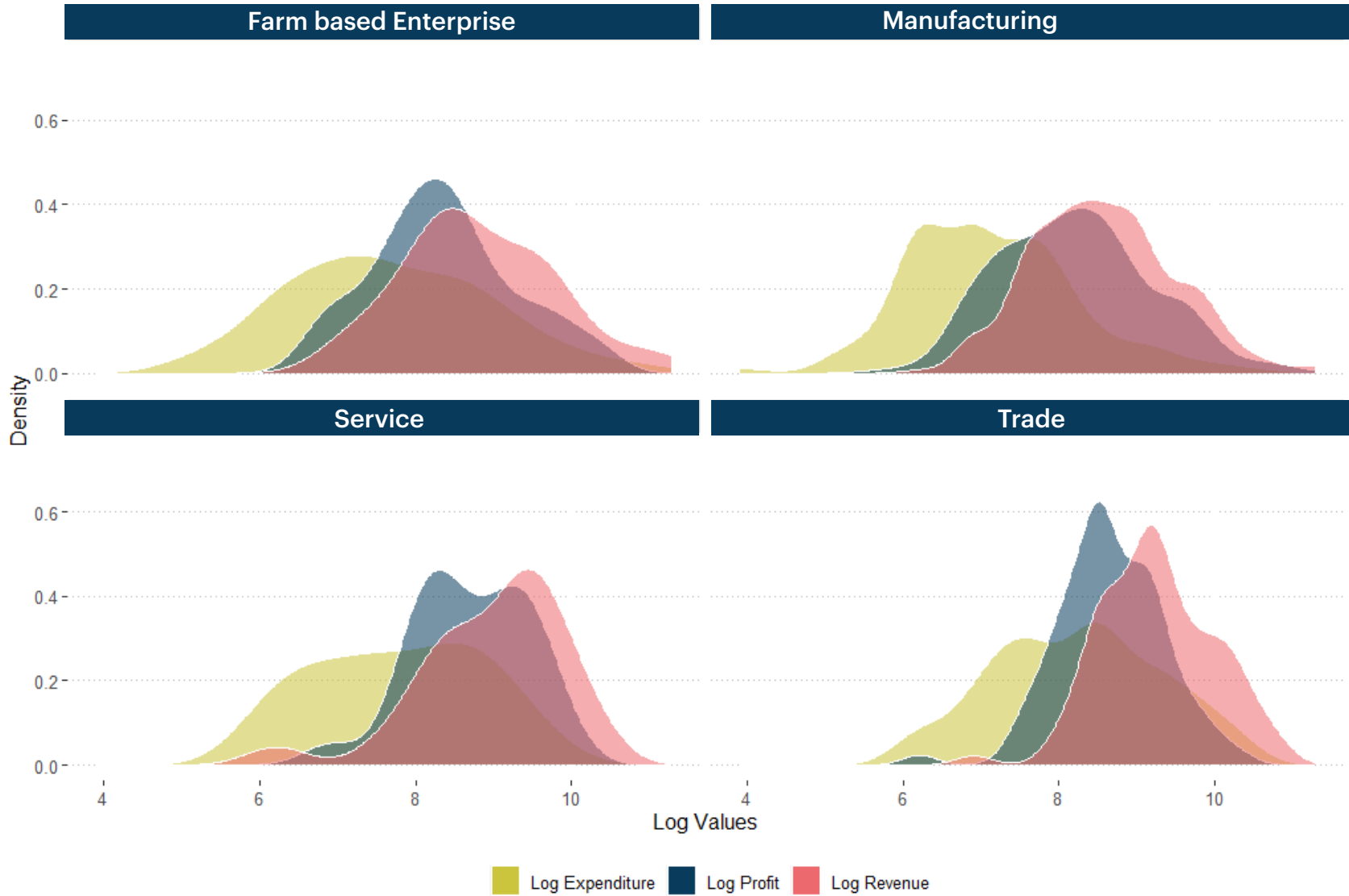
Table 6: Variability in financial details of enterprises within trade sector involved in food & beverage retail (sample of five enterprises)

Enterprises in the Trade Sector undertaking	Enterprise	Income (Rs. per month)	Expense (Rs. per month)	Net Profit (Rs. per month)	Net Profit Margin
Food and Beverage Retail activity	Enterprise 1	25000	10000	15000	60%
	Enterprise 2	25000	13000	12000	48%
Food and Beverage Retail activity	Enterprise 3	25000	19000	6000	24%
	Enterprise 4	20000	10000	10000	50%
	Enterprise 5	15000	10000	5000	33%

Similarly, the Manufacturing sector which has the lowest average revenue (Rs.8,224) and lowest average expense (Rs.2,479), their net profit margin is also the lowest (66%). But, they have the second highest average profit levels among all sectors studied (Rs.7,280). This suggests that despite manufacturing enterprises being more profitable than enterprises in some sectors, there is scope to improve their net profit margin.



Despite differences in the absolute amounts of revenue generated by enterprises in various sectors, the net profit margins (%) are relatively similar. Analysing and optimising this expense-to-revenue ratio is essential for sustainable financial success, irrespective of the specific industry or sector.



INITIAL INVESTMENT & CURRENT CREDIT

On an average the enterprises have invested less than Rs. 20,000 to set-up their businesses. The investment has been sourced from predominantly their own savings (91%), from SHG/ VO of which they are members (40%) or from a bank (11%). Business operations heavily depend on internal sources of funding (96%), while 36% rely also on external sources.

Less than 7% of the entrepreneurs (30 enterprises) have outstanding loans availed for business operations and the average amount of the same is Rs. 34,700. The sources for these loans have been the SHG of which they are a member and household savings. Less than 2% of the total enterprises under this survey have availed loans from formal financial institutions. Some of the main reasons for not seeking formal credit include entrepreneurs did not need a loan, they had sufficient capital from within the enterprise, loan application procedures were complex, interest rates were not favourable. Around 60% of the enterprises mentioned that they maintain formal books of accounts, which is a critical aspect to unlock credit from formal financial institutions.

Table 7: Initial investment and credit availed by enterprise

	Overall (N= 435)	Farm Based (n=41)	Manufacturing (n=215)	Services (n=24)	Trade (n=154)
Initial Investment (₹)					
Mean	18,675	15,455	11,796	16,826	29,373
Median	10,000	5,000	8,000	10,000	20,000
Loan (N)	30	3	10	2	15
Has a current loan (%)	7%	7%	5%	8%	10%
Loan amount (₹)					
Mean	27,800	28,000	20,600	60,000	28,700
Median	20,000	30,000	15,000	60,000	20,000
Loan EMI (₹)					
Mean	2,390	2,167	1,790	3,500	2,687
Median	2,000	2,000	1,500	3500	2,000

Table 8: % of enterprises and their utilisation of profit

Utilisation of Profit (N=239)	Personal use	Reinvestment in the enterprise	Savings for future operations	Savings for emergencies
Rank 1	84%	13%	3%	0%
Rank 2	13%	76%	10%	1%
Rank 3	3%	9%	71%	17%

Profit utilisation:

Enterprises were surveyed on their profit allocation priorities, and they ranked the various uses of profits. Over 84% of the entrepreneurs prioritised it for personal consumption, followed by 76% prioritizing reinvestment in the enterprise followed by savings for future operations.

PROCUREMENT OF RAW MATERIALS

Nearly 55% of the enterprises responded that they procure raw materials at least one to three times a month. While 27% procure raw materials at least once a week. About 73% of the enterprises that procure material at least once a week belong to the trade sector. Similarly, 70% of the enterprises that procure material 1-3 times a month belong to the manufacturing sector.

Table 9: % of enterprises and the frequency at which they buy input for their business

Enterprise Sector	At least once a week (n=116)	1-3 times a month (n=240)	2-3 times a year (n=73)	Others (n=6)
Overall (N=435)	27%	55%	17%	1%
Sector-wise distribution of enterprises by frequency of buying inputs				
Farm Based Enterprise	14%	2%	29%	0%
Manufacturing	10%	70%	42%	83%
Service	3%	5%	11%	0%
Trade	73%	23%	18%	17%

While listing down the major barriers in running their enterprise, 67% (n=291) entrepreneurs mentioned that their top challenge is "inadequate capital or credit for operating costs". The entrepreneurs might buy raw materials in batches also because of insufficient working capital. Other reasons for frequent rather than bulk purchases could be the inability to anticipate demand or staggered demand which affects their planning process, limited storage space as most enterprises are operated from within the household etc.

Enterprises predominantly rely on local mandis (market) and local traders (57%) or agents and wholesalers (32%) to procure their raw materials and inputs. The dependence on panchayat, government and other sources and households for raw material/inputs is minimal and less than 11% enterprises depend on these sources. The enterprises that mostly use these sources are from the farm based and manufacturing sectors.

In the manufacturing and trade sectors enterprises reported to know and to be able to engage with a larger number of suppliers. While 82% of enterprises in the manufacturing sector reported knowing two to five agents/ wholesalers, 71% of those in trade reported the same. This shows that more than 93% of manufacturing and 98% of trade enterprises know two to ten suppliers from whom they can do business. This showcases the diversity of suppliers that enterprises are capable of engaging with, which could provide them a better bargaining power while negotiating terms of payment.

Table 10: % of enterprises by sources of raw materials and number of suppliers in their network

Enterprise Sector (N=435)		Agent/Wholesalers (n=139)	Local Mandi/ Traders (n=248)	Source from household (n=37)	Panchayat or Govt. networks & others (n=11)
Farm Based Enterprise (n=41)		17%	46%	32%	5%
Manufacturing (n=215)		25%	65%	72%	3%
Manufacturing: No. of suppliers known & with whom can do business	2 to 5 (n=91)	82%	25%	65%	57%
	6 to 10 (n=108)	10%	70%	14%	14%
	Other (n=16)	8%	5%	21%	29%
	Total of Manufacturing (215)	100%	100%	100%	100%
Service (n=24)		42%	50%	4%	4%
Trade (n=15)		45%	48%	6%	1%
Trade: No. of suppliers known & with whom can do business	2 to 5 (n=103)	71%	61%	78%	100%
	6 to 10 (n=49)	25%	39%	22%	0%
	Other (n=3)	4%	0%	0%	0%
	Total	100%	100%	100%	100%

An estimated 50% of the women entrepreneurs themselves dealt with suppliers and did the procurement while 42% of the entrepreneurs reported that their spouse did the procurement.

EMPLOYMENT

Around 52% of the enterprises enlist help from family members or employ external workers on a permanent basis while 19% enlist family help/ engage workers seasonally while 25% do not employ any workers nor enlist help from their family. Across all the sectors, these patterns are similar, with over 70% of enterprises across sectors engaging workers / enlisting family help.

Table 11: % of enterprises and their employment pattern

Sector/ Employment Pattern (n=435)	Employed workers/Enlisted help from family			Did not Employ workers and did not enlist help from family members (n=109)	Total (n=435)
	Throughout the year (n=228)	Seasonally (n=83)	Both throughout the year & Seasonally (n=15)		
Overall (N=435)	52%	19%	4%	25%	100%
Farm Based Enterprise (n=41)	46%	22%	5%	27%	100%
Manufacturing (n=215)	45%	26%	1%	28%	100%
Service (n=24)	42%	25%	4%	29%	100%
Trade (n=155)	66%	8%	6%	20%	100%

What type of workers were employed?

Nearly 56% of the enterprises indicated that they sought assistance for their business operations over the entirety of the year. Among them 97% of enterprises relied on the support of their family members for various business activities. In all sectors, more than 90% of enterprises fulfilled their need for assistance by involving family members.

Table 12: % of enterprises sought assistance in their business activities

Category (N=243)	Overall (N=243)	Farm Based Enterprise (n=21)	Manufacturing (n=99)	Service (n=11)	Trade (n=112)
Family members (n=229)	94%	95%	92%	82%	97%
External Worker (n=7)	3%	5%	4%	9%	1%
Family members and plus external workers (n=7)	3%	0%	4%	9%	2%

It is important to understand that, when enterprises operate at low income and with intense competition, cost reduction and offering competitive prices to the customer are their key concerns. The data from this survey has entrepreneurs attesting to the fact that their price competitiveness is their advantage and many of them operate near market areas where they have several competitors. It is natural for enterprises in such a predicament - especially when they are operating from within their households - to engage their own family members as workers. Also because they operate from within their homes, they might feel safer and trust their own family members to provide better quality services than external hired help.

While analyzing the income of enterprises, it is interesting to note that the likelihood of entrepreneurs taking help increases once enterprises graduate into higher revenue levels.

Table 13: % of enterprises sought assistance in their business activities in a particular revenue category

	Revenue of the enterprise during last month (Rs.) (N=435)				
	Less than Rs.5,000	Rs.5,001 to 10,000	Rs.10,001 to 15,000	Rs.15,001 to 20,000	Rs.20,001 and above
Did not take help or employ workers (n=109)	45%	17%	6%	6%	2%
Sought Assistance (Family members or external workers) (n=326)	55%	83%	94%	94%	98%

THE TRIAD OF LOCATION, CUSTOMER, AND COMPETITION IN NANO ENTERPRISES

The triad of Location, Customer, and Competition is a critical framework for nano enterprises. These three elements play a crucial role in shaping the success and sustainability of these ventures.

Location:

Over 71% of the enterprises surveyed are located less than one kilometer from the market and 29% are located more than one kilometer away from the market. It is interesting to note that 50% of those enterprises earning a revenue of more than Rs. 4,000 per month are located within one kilometer of the market. While 21% of enterprises who are located less than one kilometer from the market earn less than Rs.4,000 per month. (Refer to Table 14).

Table 14: % of enterprises categorised based on their location and income

Distance of enterprise from market (N=434)	Revenue of the enterprise during last month (Rs.)		
	Less than Rs.4,000 (n=127)	More than Rs.4,001 (n=307)	Total
Less than 1 km from the market (n=308)	21%	50%	71%
More than 1 km from the market (n=126)	9%	20%	29%
Total	30%	70%	100%

Most enterprises are located strategically near a location or landmark which is frequented by people such as bus-stop, temple, market or school. About 93% of the enterprises cater to local buyers who live in their own or neighbouring villages. Only 7% of the entrepreneurs cater to customers from other blocks or districts.

Table 15: % of enterprises and reason for enterprise competitiveness in the last 12 months

Prominent Landmark near enterprise location (N=435)	Near Bus stop (n=125)	Near temple (n=140)	Near Market (n=63)	Near School (n=100)	Others (n=7)	Total (435)
	29%	32%	14%	23%	2%	100%

Customer:

Enterprises have a healthy mix of business to direct consumers (B2C) and business to business (B2B) i.e resellers, traders and shops as clients. Over 39% (168 enterprises) cater to both B2B and B2C markets. Over 21% (90 enterprises) cater to all three typologies of consumers. Around 24% (n=103) only engage in the B2C market, i.e. directly sell to consumers. Around 18% (n=76) enterprises only engage in business with resellers, traders and shops, while 8% (n=35) only sell to producers.

Table 16: % of enterprises and typology of customers*

Typology of Customers N=430	B2B (Business to Business)		B2C (Business to Consumer)
	Producer	Reseller/Trader / Shop	Direct Consumer
Producer	58% (251)		
Reseller/Trader/Shop	43% (n=182)	60% (n=259)	
Direct Consumer	29% (n=123)	31% (n=135)	63% (n=271)

Competition:

Over 52% of the enterprises stated that their price, and 37% that their quality are the primary reason for their enterprise's competitiveness.

Table 17: % of enterprises and reason for enterprise competitiveness in the last 12 months

Reasons for Enterprise Competitiveness (N= 435)	Many Competitors (n=168)	Some Competitors (n=102)	Long-term relationship with customers (n=23)	Local presence or easy access by customers (n=23)
	39%	23%	5%	5%

Almost 40% of the entrepreneurs deal with several competitors i.e.other enterprises who offer the same products and serve the same customers. Over 23% mentioned that they have some competition while 38% mentioned that there are few competitors. Some of the business activities that face most competition include tailoring, grocery trade, horticulture, vegetable retail etc.

Table 18: % of enterprises who have competitors in the area near by to their enterprise location

Presence of Competitors in nearby area (N=435)	Many Competitors (n=168)	Some Competitors (n=102)	Too few or no competitors (n=165)
	39%	23%	38%

Table 19: % of enterprises who have employed workers or enlisted help from family members based on enterprise location

Enterprise Sector (N=326)	Enterprise Activity	Outside HH premise	Within HH premises
All Sectors		29%	71%
Farm Based (n=30)		50%	50%
Trade (n=124)	F and B Retail (n=40)	78%	22%
	Grocery Retail (n=33)	21%	79%
	Other Retail (n=51)	47%	53%
	Total Trade (n=124)	50%	50%
Service (n=17)	Total Service (n=17)	53%	47%
Manufacturing (n=155)	Tailoring (n=130)	1%	99%
	Flour Mill, Handicraft, Others (n=25)	24%	76%
	Total Manufacturing (n=155)	5%	95%

Sought assistance for business activities:

Roughly 71% of enterprises that primarily sought assistance from family members were situated within household premises, while the remaining 29% applied to those located outside household premises.

In manufacturing, of all enterprises that employed workers or enlisted help from family members 95% of the enterprises were located within household premises.

Did not seek assistance:

Of the 435 enterprises surveyed, 109 or 25% do not engage any workers nor take support from their family members.

Of those enterprises that do not engage any workers 72% operate from within the household premises and are engaged in activities such as tailoring or horticulture in their backyard. Grocery and footwear retailers are those that mostly operate outside their household and yet have not engaged workers.

Table 20: % of enterprises who have not sought assistance based on enterprise location

Sector (N=109)*	Enterprise Location	
	Outside HH premise (n=31)	Within HH premises (n=78)
Farm Based Enterprise (n=11)	45%	55%
Manufacturing (n=60)	7%	93%
Service (n=7)	29%	71%
Trade (n=31)	65%	35%

SOCIAL PROTECTION

About 58% i.e. 251 entrepreneurs reported to have received or benefitted from a government scheme. The top schemes availed by the entrepreneurs included Pradhan Mantri Ujjawala Yojana (65% of 251 entrepreneurs), Revolving Fund from SHG / Bihan (24% of 251 entrepreneurs), Swachh Bharat Mission Scheme (23% of 251 entrepreneurs) and Mukhyamantri/ Pradhan Mantri Aawas Yojana (12% of 251 entrepreneurs) etc. Entrepreneurs mentioned that the schemes and programs had helped them in multiple areas of their business activity too. The below table captures the same, 68% of them mentioned linkages with market, 66% mentioned building of infrastructure and 25% mentioned skills training.

Table 21: % of entrepreneurs who mentioned that they were helped by a government scheme

Areas of the enterprise that were helped by the government scheme/ program*			
Linkages with Market	68%	Procurement of raw material	17%
Building infrastructure/Leasing	66%	Linkages with other producers	15%
Linkages with Government	37%	Production Techniques	14%
Skills Training (Self/HH Member /Worker)	25%	Grant / Credit	10%

Note: 251 entrepreneurs responded to having received multiple areas of help as mentioned above.

Of those who did not avail schemes 80% i.e. 146 entrepreneurs mentioned that they were not aware of schemes and 18% i.e. 34 mentioned that they did not need the schemes / programs offered.

Insurance:

Around 48% i.e. 207 of the entrepreneurs responded that they have taken an insurance policy for themselves, over 98% of them were subscribed to government insurance with an average payment of Rs.580 overall premium paid.

Only three of the enterprises had availed insurance for their enterprise and on an average they paid Rs.8,300 p.a premium. All enterprises belong to the trade sector, engaged in garment / grocery retail. All of them operate from their households and are located within 1 kilometer from the market. While two of these enterprises operate as sole proprietorship, one of them operates in partnership with family members. Two of the enterprises who have taken insurance, have also registered their enterprise and taken bank loans. The enterprises have an average revenue of Rs.15,000 per month and average profit of Rs.7,300 per month, compared to average revenue of the entire sample at ~Rs.10,500 per month and average profit ~Rs.6,600 per month.

Of those who had not availed insurance for their enterprise, 62% (n=126) mentioned they weren't aware of enterprise based insurance 37% (n=76) mentioned they did not need insurance.

SOCIAL NETWORK

Over 68% i.e. 299 respondents mentioned that they belong to a business support group or informal business network and 93% of those respondents mentioned that they have benefitted from the same. The main types of benefits thus received are exchange of information, joint purchase/sales of inputs and availing credit.

Table 22: % of entrepreneurs who mentioned that they benefit from being members of business support groups

Benefits received from being members of a business support group	Exchange of information	Purchase inputs jointly	Sold output jointly	Received credit through association/group
	93%	40%	31%	18%
Sample Size (n=279)	259	112	86	51

Note: 279 entrepreneurs responded to having received multiple benefits as mentioned above

Notably, 94% of entrepreneurs (n=411) emphasized the significance of having access to mentors for guidance and problem-solving in their businesses. Of this group, 80% (n=329) specifically identified mentors, with family members being the primary source, and 76% (n=313) noted the involvement of Ambuja Foundation personnel as mentors.

Table 23: % of entrepreneurs who mentioned the different source of mentorship

Source of Mentors	Family Members	Ambuja Foundation personnel	Friend (similar type of business)	Friend (different type of business)	Paid Advisory
	80%	76%	23%	10%	5%
Sample Size* (n=411)	329	313	93	43	20

Note: 411 enterprises responded as having received mentorship from various sources detailed above

Enterprises responded that they collaborate on multiple aspects with other similar businesses in the same market, to improve the performance of their business. Nearly 83% enterprises mentioned that they collaborate for bulk procurement of raw materials to reduce cost, while 38% mentioned they build business plans jointly to leverage credit and 36% mentioned that they share the use of productive assets such as machinery and equipment.

Table 24: % of entrepreneurs who have collaborated with other entrepreneurs to leverage benefits in kind

Areas of collaboration (N=435)	% of Enterprises	Sample size	Areas of collaboration	% of Enterprises	Sample size
Linkages for Market	83%	359	Value Addition to finished products. (packaging/ branding)	32%	140
Building infrastructure/Leasing	38%	167	Shared hiring/ training of workers to reduce costs	30%	129
Linkages with Government (availing schemes)	36%	157	Jointly transport raw material and/or final products	9%	40
Skills Training (Self/HH Member /Worker)	33%	145	None of the above	7%	32

BUSINESS ASPIRATION & SUSTAINABILITY

Almost 93% of the enterprises mentioned that they wish to grow their business. Over 92% mentioned that they foresee the demand for their enterprise to grow exponentially while 7% mentioned that they expect moderate growth, less than 1% enterprises foresaw decline or no growth. Entrepreneurs mentioned that their motivation for expanding the enterprise operations is to increase their employment, revenue and personal wealth.

Table 25: % entrepreneurs and their various motivations to expand business operations (multiple reasons)

Motivation to expand (N=405)	Increase revenue (n=298)	Increase employment (n=288)	Increase personal wealth (n=170)
% of Entrepreneurs	74%	71%	42%

They plan to achieve their growth ambition primarily by launching new products or expanding their operations to new markets and customers. The same are detailed in the table below.

Table 26: % of entrepreneurs who have shared their future plans for the business

Future plans for the business	% of Enterprises	
Diversify by introducing new products/ business	69%	
Strategy to improve or launch new products	More quality on current products	86%
	Introduce new range of products	13%
Expand/Scale up business operations of primary enterprise	23%	
Strategy to expand/ scale enterprise	New customers	94%
	Grow in other locations	57%
	Market linkage supported by Govt.	55%
	Setup online selling (Ecommerce)	22%
No plans for growth & others	8%	

While being able to foresee growth and plan strategies for achieving the growth, entrepreneurs also shared constraints that hamper the productivity of their business and/or their ability to expand the business. Some of the key concerns were access to credit for meeting working capital requirements and for capital investment in machinery building etc, and inadequate demand and know-how.

Table 27: % of entrepreneurs enumerating their various challenges in expansion (multiple reasons)

Barriers to expansion	% of Enterprises
Inadequate personal capital or credit for operating costs	67%
Inadequate personal capital/ credit for capital investment	52%
Inadequate demand for products	24%
Inadequate know-how	23%



EMPOWERMENT

The Global Gender Gap Index annually benchmarks the current state and evolution of gender parity across four key dimensions (Economic Participation and Opportunity, Educational Attainment, Health and Survival, and Political Empowerment). It is annually published by the World Economic Forum.

The Global Gender Gap Report released in 2023 indicates that it will take 131 years to close the global gender gap. While gaps in educational attainment and health and survival are nearly closed, progress on gaps in economic participation and opportunity and political empowerment continues to lag worldwide. The Global Gender Gap Report for 2023 ranked India 127th out of 146 countries. India's overall score did improve in 2023 by 1.40% and eight positions compared to the 2022 report.

This survey has tried to capture the decision making power among the women entrepreneurs within their household, asset ownership among women and their agency over their time.

Decision making:

Across questions on various decisions regarding the usage of money, women being engaged with work/entrepreneurship / employment and children, over 59% of entrepreneurs consistently mentioned that the decision-making was collaboratively done with their spouses (husbands). When asked how the money earned by the entrepreneur themselves will be used, 37% i.e. 161 (out of 435) of the respondents stated that they made the decision themselves, while 59% stated that they decided collaboratively with their husband while 3% mentioned that the decision was entirely made by their spouse.

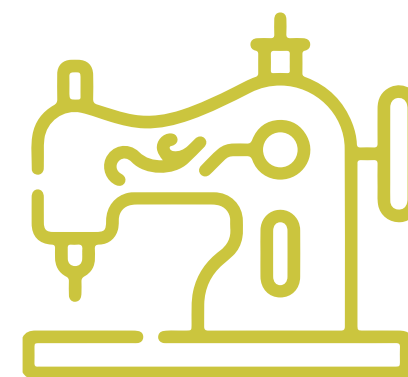
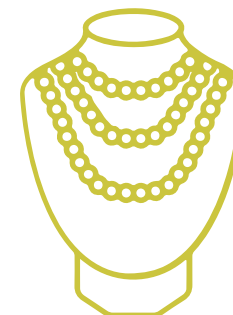


Table 28: % of entrepreneurs who responded on the decision making process in their household

Major Decisions (N=435)	My own decision	My husband's decision	Decision making shared with husband	Decision making shared with another person
How will the money earned by the entrepreneur be used?	37%	3%	59%	1%
How will the money earned by the spouse be used?	6%	13%	80%	1%
Decision regarding the healthcare expenditure for the entrepreneur	8%	1%	87%	4%
Decision regarding the entrepreneur being employed or engaged in work	23%	2%	74%	1%
Decisions regarding major household purchases	6%	2%	87%	5%
Decisions regarding education of children	6%	2%	90%	2%

On the utilisation of the income earned from their enterprise, 63% i.e. 273 (out of 435) of the entrepreneurs responded that they maintain separate savings of their money, while 34% mentioned that their earnings are pooled with the household income.

Table 29: % of entrepreneurs responded on the utilisation of earnings from the enterprise

Utilisation of the money earned by the entrepreneur (N=435)	Percent
Maintain own and separate savings (n=273)	63%
The money is mixed (Business and Household) (n=151)	34%
Spouse/family member take ownership of the money (n=11)	3%

Assets:

When the nano entrepreneurs were asked if the title of the land /farm or house was in their name, 96% responded that it was not the case, only 4% had the ownership to the title.

Agency over time:

The nano entrepreneurs responded that on an average they spent over 5 hours on household chores each day. When asked to rank the people who support them with the household chores, 66% i.e. 289 of the entrepreneurs ranked their spouses as the major support. Entrepreneurs ranked their children as the second most important in helping with chores and mother-in-law was ranked third.



Table 30: % of entrepreneurs responded to the various people who support them with chores (multiple answers)

Ranking (N=435)	Rank 1: Spouse (n=289)	Rank 2: Children (n=159)	Rank 3: Mother-in-law (n=134)
% of entrepreneurs	66%	37%	31%



Name

Kuleshwari Verma



Name of SHG

Vandana SHG



Village

Rawan



Type of Work

Fancy Store Owner

Kuleshwari Verma is a resident of Rawan village in the Baloda Bazar block. She has two daughters and a son and is a member of the Vandana Self-Help Group, which was formed in 2011 under the guidance of the Ambuja Foundation.

Kuleshwari Verma, an active member of Vandana SHG, exemplifies how to enhance one's livelihood through SHG participation. Her husband operates a paan shop, and the income from the shop is insufficient for the family. To address this, Kuleshwari took a loan from her group and established a small fancy store. The store gradually expanded by repaying group loans and obtaining additional loans. Starting with an initial loan of only Rs 5000, she subsequently took loans of Rs 10,000 and eventually Rs 50,000. Kuleshwari's fancy store now generates a monthly income ranging from Rs 12,000 to 15,000. Currently, the combined income from her husband and her own endeavours ensures a comfortable family budget.





Name

Kusum Patel



Name of SHG

Vandana SHG



Village

Rawan



Type of Work

Vegetable Cultivator

Kusum Patel, a resident of Rawan village in the Baloda Bazar block, resides in a joint family with a daughter and a son. She is a member of the Vandana Self-Help Group, established in 2011. In Kusum Patel's house, there is a small garden where she grows vegetables. Initially, due to limited knowledge about vegetable production, they cultivated only enough vegetables for household use. Kusum used to supplement her income by working as a labourer in other fields, with opportunities available for only 5-7 days per month. This required more effort for less income. Upon joining the group, she participated in the agriculture arm of Ambuja Foundation and acquired advanced techniques for vegetable production. She received training on high-quality seeds and fertilizers, transitioning vegetable production into a full-time occupation. Presently, she tends to the vegetable garden during the day and operates a vegetable shop in the evening, earning an income of Rs. 250 to Rs. 300 daily. Kusum expresses that joining the group and engaging in vegetable production has transformed her life, making it as green as her garden.





Name

Saroj Verma



Name of SHG

Jai Maa Sharda SHG



Village

Karmada



Type of Work

Bag Manufacturer

Saroj Verma is a member of the Jai Maa Sharda group in the village of Karmada. A widow with two married daughters, she found herself alone and without a source of income after her husband's death. Being landless, she couldn't engage in farming. As she crossed the age of 50, finding employment opportunities became increasingly challenging. Although Saroj Verma desired to work, she had no knowledge of stitching. Recognising that many women in her village were involved in bag making, Saroj decided to learn the intricacies of the trade. She embarked on this work and now earns Rs. 8,000 to 10,000 per month.

She says: "I am not dependent on my daughters and sons-in-law. I earn my own money and live happily. When my daughters come home, I am also able to give them some gifts! This keeps my self-esteem up."





Name

Dhaneshwari Katare



Name of SHG

Santoshi SHG



Village

Arjuni



Type of Work

Bamboo Artisan

When Dhaneshwari Katare joined the SHG, she was facing a difficult situation. Her husband was an alcoholic and unemployed, leaving Dhaneshwari entirely dependent on her in-laws. In the midst of such challenges in 2018, she became a part of the SHG. Bamboo artwork is the traditional profession of her family, and she used to engage in this work to some extent. When all the women in her SHG started practising bamboo artwork, Dhaneshwari also joined in. The collective effort led to positive changes, as all the women in the group persuaded their husbands to quit drinking. Consequently, Dhaneshwari's husband improved his habits and began participating in bamboo work.

Dhaneshwari's bamboo work is thriving, and all the women in the SHG earn around Rs. 6000 to Rs. 7000 per month. The group now receives orders from Gram Panchayats to create Bamboo Tree Guards, gaining recognition for their work in the surrounding area.



Key Insights



Kuleshwari Verma
Fancy Store Owner

What have we learnt about nano enterprise profiles from the study?

The data showcases the eagerness to grow and the positive outlook of these rural entrepreneurs.

1. Resilience: Despite working with limited resources, minimal business acumen including limited utilisation of financial management tools, and negligible formalization/digitization, almost all of these women-led nano enterprises demonstrate tenacity. Most businesses showcase profitability, regardless of the scale of their profits, exhibiting their ability to thrive with limited resources while harboring ambitions for growth. This underscores their resilience and resourcefulness in a challenging business environment.

2. Prospects of success among home-based businesses: Despite the common perception that an independent commercial space is crucial for business success, nearly three-fourths of these women entrepreneurs are defying the odds by thriving in home-based ventures. These ventures can pave the way for flexible and successful business models.

3. Importance of diversified customer base: A significant strength of these nano enterprises lies in their ability to cater to both B2B (business-to-business) and B2C (business-to-consumer) customers. This diversification acts as a crucial buffer against economic downturns, industry-specific challenges, or sudden shifts in consumer preferences. When one segment experiences a lean season, the other can provide stability and income. By appealing to a broader range of customers, small businesses can reduce dependency on a single market segment,

thereby creating a more resilient and adaptable foundation. However, managing this diversification requires a delicate balancing act. While longer credit cycles are often expected from buyers who are producers / shops / resellers, these enterprises need efficient cash flow management to avoid financial strain.

4. Clustering and competition: Almost 40% of the entrepreneurs stated they deal with several competitors i.e. other enterprises who offer the same products and serve the same customers. This underlines the fact that enterprises are clustered together in the same location. Entrepreneurs who operate within highly competitive geographical clusters, home-based, can diversify their products or their customer base to enhance revenue.

5. Link between employment and business economics: It is interesting to note that the likelihood of an enterprise employing workers or enlisting the support of their family members increases once enterprises graduate into higher revenue levels. This underscores a vital link between enterprise growth and job creation. By supporting these businesses in reaching higher revenue levels, we can unlock a significant potential for increased employment opportunities.

6. Addressing information gaps: A large segment of entrepreneurs mentioned that they are not aware of Government Schemes, credit products offered by formal financial institutions or of insurance available for their enterprises. Reducing this information asymmetry can help enterprises unlock more opportunities.

What works to enable nano-enterprise growth?

There are some internal and external enablers that can provide a fillip to the enterprises to not only leapfrog existing barriers but to also leverage new business opportunities.

1. Leveraging networking for sector based business growth:

The data showcases examples of a sizable number of entrepreneurs engaged in similar sectors and business activity. This paves for common strategy development and cross-learnings beyond leveraging economies of scale, spilling into common brand building and product standardization etc. There are significant learning opportunities for enterprises engaged in the same business activity within the same sector.

2. Leveraging the location: The majority of the enterprises are located within one kilometer from the market, this provides a great opportunity for the entrepreneurs to test new products through sample distribution, conducting customer surveys, test new processes, understand emerging trends, interact with established businesses to understand their tactics and strategies for business growth etc.

3. Formalizing for growth: Over 99% of the enterprises surveyed have not registered themselves under Udyam Registration or PAN for Business or Shop and Commercial Establishment Registration Act etc. Moreover, 89% of the entrepreneurs are sole proprietors, which implies that there is no documented proof of their enterprise. The importance of these documents are listed below:

- Udyam Registration or PAN (business) provides recognition and identity to the enterprise.
- Documents like FSSAI (for enterprise dealing with food), trade licenses for those engaged in retail activities etc are mandatory according to law.
- Udyam Registration is mandatory for the enterprise to avail of formal credit as an enterprise from formal financial institutions.
- Udyam Registration, PAN, and FSSAI (where applicable) are essential documents for participating in e-marketplaces such as those listed in ONDC.
- To engage with corporates and avail of the benefits of schemes for MSMEs, entrepreneurs need these documents.

4. Leveraging social institutions: Family can be an important support system that facilitates the growth of an entrepreneur. Most enterprises have mentioned that they depend on their family members for making decisions, for providing labour for their enterprise, in procuring raw material/vendor management, for mentorship etc. Family members i.e. spouse, in-laws and children can be made to understand what support a woman needs in her role as an entrepreneur, these needs could be centered around the enterprise or around sharing of the other familial responsibilities. It's important to note that as an entrepreneur, the woman brings not only more financial assets into the household, but also adds to social assets by gaining respect and recognition within the community.

5. Leveraging technology for financial management:

Recordkeeping is crucial for enterprises to document daily financial activities, aiding in cash flow tracking and profitability assessment. The study highlights that many enterprises rely on informal and manual bookkeeping methods. The use of digital recordkeeping applications can address this challenge by simplifying the process and providing a way for formal lending institutions to evaluate financial health and offer growth capital.

6. Leveraging social commerce for scaling business: Social media has effectively addressed the market access challenges encountered by numerous women globally, granting them the flexibility to manage their time and fostering their entrepreneurial development. Businesses have better access to markets through social media platforms. Additionally, small businesses can diversify their reach and markets through social commerce that eventually contributes to the sustenance of livelihoods for numerous women worldwide, with the potential for ongoing support.

7. Government schemes for expanding enterprise: Financial schemes such as Credit Guarantee Fund for Micro Units (CGFMU), Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) and Stand-up India facilitates enterprises with collateral free credit up to Rs.5 crores. In addition schemes like Pradhan Mantri Employment Generation Program (PMEGP) and Pradhan Mantri Formalization of Micro Food Processing Enterprises Scheme (PMFME) provide enterprises subsidy for starting or growing select business activities. In addition, enterprises can leverage branding and marketing support extended by platforms such as GeM (Government e-Marketplace), Tribes India, eSARAS, SC/ST Hub etc.



What are the pathways for growth and scalability?

Enterprises have two simple pathways to enhance profits, one is to increase revenue and the other is to reduce costs. Below are suggestive methods by which entrepreneurs can achieve these two goals simultaneously.

1. Enhance financial literacy and business skills: There is a need for robust capacity building workshops, wherein enterprises can learn from each other and from sector experts. The data collected from enterprises shows that training on customer acquisition strategies, product development and financial management can immensely benefit the entrepreneurs.

- Training on customer acquisition can include, market mapping, identifying target audience, understanding the customer profile and mindset, collaboration and partnership with critical stakeholders to identify customers, building rapport with existing customers etc.
- Training on product development can include, standardization, quality assurance, product pricing, product bundling, branding and packaging.
- Training on financial management can include, cash flow management, vendor relationship and turnaround period, dealing with creditors, leveraging digitized book-keeping tools/ social media / e-commerce, understanding the basics of product pricing and financial management etc.

2. Improving profit margin: A higher net profit margin indicates an enterprise is more efficient at converting its sales into actual profit. Enterprises within the same sector and same business activity have highly varying Net Profit Margins. These variations are drastic even among enterprises within the same revenue (expense) categories. This paves ways for mutual learning, wherein enterprises can gain insights from each other on vendor management, product placement, product mix, pricing strategy etc, cost management and cash-flow management etc.

3. Launching new business models: Enterprises can engage in mapping consumer needs for new products and products/solutions can also be launched for the enterprises within their SHG networks. Business can be developed to provide services of packaging, branding, e-commerce linkages and facilitating registrations / compliances etc. Enterprises can be formed to fill the gap in the services and support ecosystem available to entrepreneurs themselves.

4. Leveraging e-commerce: The launch of ONDC (Open Network for Digital Commerce) has ushered in a new era for online marketing especially for rural women entrepreneurs. The platform can help entrepreneurs even offer a bouquet of complementary/ supplementary products through online marketing platforms to customers within and outside the state. Entrepreneurs need to be trained and supported to on-board on the platform. Training could include product

positioning, design and development, pricing strategy, packaging, branding while support could include, helping with compliance documentation, know-how on registering on the platform, finding suitable partners on ONDC for logistics and marketing.

5. Capturing market through co-branding: A strong brand is the testimony for standard products, uniform pricing, identical packaging and similar customer proposition. Women entrepreneurs offering same/similar or complementary products can join hands to create a brand. Co-branding can enable enterprises to reduce costs involved in branding and marketing, while reaching out to a larger customer base and leveraging economies of scale from joint purchase of raw material/inputs.

6. Introducing complementary/supplementary products: During interviews, enterprises mentioned that price and quality are their main strengths for competitiveness. And launching new products was an important aspect of the entrepreneurs product expansion strategy. Enterprises shared plans to achieve the same by improving product quality and introducing new range of products. Enterprises can independently or jointly introduce new products which can usher in higher revenues, for instance an enterprise involved in horticulture can type up with a fruit / vegetable retail business to sell sun-dried fruits, fruit pulps, fruit juices etc.



Conclusion

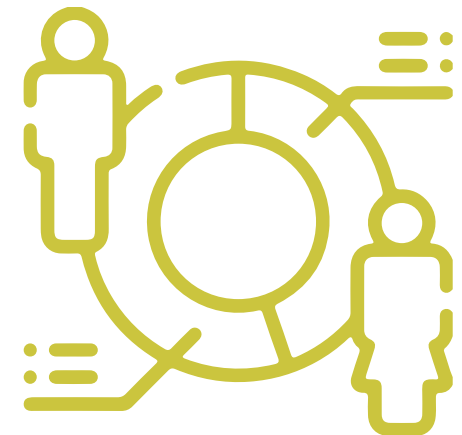


Kusum Patel
Vegetable Cultivator

This exploratory study presents a profile of women-led nano enterprises in Bhatapara in Chhattisgarh, which serves as a microcosm for rural enterprise ecosystems. While several studies have documented the important contributions of these enterprises in enhancing women's agency and mobility, few studies have examined the profitability and growth potential of enterprises. The study highlights the diversity of enterprise sectors, including Manufacturing, Trade, Service, and Farm-Based Enterprises. The findings provide valuable insights into the activities undertaken by individual women nano entrepreneurs who are also members of Self-Help Groups (SHGs), informing our understanding of potential areas for support and intervention. The study on nano enterprise profiles provides valuable insights into the resilience and adaptability of women-led businesses operating in challenging environments. Despite facing constraints such as limited resources and formalization, these nano enterprises showcase not only tenacity but also a keen ambition for growth. Key findings underscore the success of home-based ventures, challenging the conventional belief in the necessity of independent commercial spaces.

Enterprises that are formed from SHGs often receive support and mentorship from key stakeholders including N(S)RLM, NGOs and Community-Based Organisations (CBOs). These organisations act as crucial support systems by handholding them through initial business planning, skills development workshops, and access to financing. They also offer ongoing motivation and mentorship, helping SHG enterprises navigate day-to-day challenges such as marketing, bookkeeping, and conflict resolution. Additionally, these organisations can connect SHGs with valuable resources like market networks and government schemes, fostering long-term sustainability and growth. This comprehensive support empowers SHG enterprises to overcome hurdles and thrive in the competitive marketplace.

In essence, the study not only highlights the challenges faced by nano enterprises but also provides for insights to enable their growth and success. By embracing these insights and leveraging the identified enablers and pathways, policymakers, support organisations, and entrepreneurs themselves can contribute to the flourishing of nano enterprises, empowering women in business and fostering sustainable economic development.



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¹¹ Govt. of Karnataka, Evaluation of DDU-GKY in Karnataka, 2020, kmea.karnataka.gov.in/storage/pdf-files/Reports%20and%20other%20docs/DDUGKY%20Eng.pdf

¹² Net Profit Margin = (Revenue - Expenses) / Revenue * 100

¹³ Sample size is 430, only enterprises who have registered a profit have been considered.

¹⁴ The World Economic Forum, "Global Gender Gap Report", 2023, <https://www.weforum.org/publications/global-gender-gap-report-2023/>



About Ambuja Foundation

Ambuja Foundation is an independent, pan-India development organisation, committed to generating prosperous rural communities. We believe in the vast, untapped potential of rural communities and the unstoppable power of the people that live there. With investments in water, agriculture, skills, women, health and education, Ambuja Foundation enables 'livelihoods' as a pathway to unleashing that potential. Partnering with like-minded corporates, Governments and others, Ambuja Foundation works collaboratively with communities to solve pressing community problems – empowering local people to be the catalysts and drivers of change.

www.ambujacementfoundation.org



About LEAD at Krea University

LEAD is an action-oriented research centre of IFMR Society that leverages the power of research, innovation and co-creation to solve complex and pressing challenges in development. Since 2005, LEAD has been at the forefront of financial inclusion and SME research in India. LEAD has strategic oversight and brand support from Krea University (sponsored by IFMR Society) to enable synergies between academia and the research centre.

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