

How Can A Women Start Business

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Abstract

This paper is for helping a women to understand how to start a business. The number of women-owned businesses has nearly doubled in the last two decades in India thanks to economic development and a growing focus on 'woman power'.

Women Entrepreneurs can be seen everywhere in the start-up ecosystem of India. Women too are seen leaving their high-profile jobs as well as some stepping out of the four walls of their homes and joining the pool of Entrepreneurship in India. The major factor to jumpstart the entrepreneurial journey is capital and various banks offer specialized loans for women entrepreneurs that have slightly different and more flexible set of terms and conditions pertaining to collateral security, interest rates, etc.

Women entrepreneurs make a significant contribution to the Indian economy. There are nearly three million micro, small, and medium enterprises with full or partial female ownership. These women-owned enterprises contribute 3.09 percent of industrial output and employ over 8 million people. Approximately, 78 percent of women enterprises belong to service sector.

Still Women in India are not having information about business procedure. This is a problem face by a women in India they don't know how to start a business. For running a success full business it is necessary to know how to start a business and registered yourself.

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Introduction

In the pool of privately-held small businesses in this country, being a women business owner actually has many advantages. Most public corporations as well as local, state, and federal government purchasing agencies have programs for allotting a certain percentage of business to women-owned companies. Getting certified as a Women Business Enterprise (WBE) can make the difference between landing that business or not. However, the certification process is not without its challenges, and often time's owners get discouraged during the process because they lack the proper guidance or misunderstand how the process works. The following is what you need to know should you decide that certification is to your benefit.

No more than 14% of business establishments in India are run by female entrepreneurs, according to the *Sixth Economic Census* by the National Sample Survey Organisation (NSSO). There are 58.5 million businesses in India, of which 8.05 million are managed by women, employing over 13.48 million people. These enterprises range from corner shops to venture-funded start-ups. India ranked 29th of 31 countries in the 2015 Global Women Entrepreneurs Leader report by ACG Inc., a consultancy, above only Pakistan and Bangladesh. With 17 points of a possible 100, India fared worse than countries such as Nigeria, Uganda and Ghana.

As many as 25 million women have left the Indian labour force over the past 10 years, as IndiaSpend reported in April 2015. No more than 27% of Indian women are in the labour force, the second-lowest rate of female labour-force participation in South Asia after Pakistan, where female labour-force participation is rising. India's is falling (as per 2015 report). There are the most difficult challenges faced by women entrepreneurs to start a business. New rule regulation are coming day by day. it is difficult to understand them. Starting a business might not be the easiest job on earth, but it is definitely not the most difficult. Now is the right time for you to get out of the cubicle or kitchen, wherever you are, and start your own business. Work hard on your own terms, and not only will you add to the country's prosperity, but also create your own individuality.

Here are some information about how to start a business:

It's a known fact that success doesn't happen overnight. Things take time; it demands hard work and enthusiasm. In the process to start their own work, women entrepreneurs face a number of challenges that can get in the way of their growth. They need is proper inspiration, training and promotions. The Government has also taken a few steps to ensure that women are properly educated, informed and guided about entrepreneurship and the countless opportunities it has to offer. Here are few

step required for starting a business.

1. Decided your business type:

First things first. Decide what your business would be about. Are you manufacturing products, providing services or will you be a re-seller? Do you want to be a distributor or would you be hiring staff to create the products?

You need to understand that there are various forms of business entities in India and yours will fall under one of them. The types are:

- A Private Ltd. Co. where there are rights of shareholders are restricted regarding transfers and has to have minimum of two members with a maximum of 50.
- A Public Ltd. Co. is where shareholders have the power to transfer their shares and there is no limit to the number of members as long as there are a minimum of seven.
- An Unlimited Co. is where there is no limit to the liabilities of any of its members.
- A Sole Proprietorship is where the business is owned by an individual.
- One Person Company is a new concept in India which has been introduced by the companies' act 2013. In the old Companies act 1956 a minimum of two directors and shareholders were required to form a private limited company. However, in case of a one person company, only one person is required, who can be a shareholder as well as the Director? Hence the name, One Person Company.
- A Partnership is where the business is owned by two or more people where they have agreed to equal share of the profits.
- Cooperatives are voluntary organisations under Cooperative Societies Act 1912.
- A Subsidiary Company is where private, public, unlimited and sole proprietorship have the permission to have foreign direct investment of up to 100%.
- Joint Hindu Family business is a business type governed by Hindu law and in this type only members of the same family can manage this business.
- A Limited Liability Partnership (LLP) is where while all members have limited liability, only one has unlimited liability in the business.

2. Conduct research and gather all information about business

Successful businesses have extensive knowledge of their customers and their competitors. Market research is the process of gathering information which will make you more aware of how the people you hope to sell to will react to your current or potential products and services. The business must analyse and interpret the resulting data to determine the presence of any patterns or relevant data points that it can use in the decision-making. It studies such things as consumer behaviour, including how cultural, societal and personal factors influence that behaviour.

3. Apply to acquire director identification number:

As per the amendment act 2006, acquiring a DIN is compulsory for every director i.e. as such every existing and intending directors have to obtain their DIN. The registration of the company name is the most important step for registering a company. However, before you go for registration of your company it gets important that each director of the company whether public or private gets their identification number. DIN is a unique number that is provided by Ministry of corporate affairs. The DIN number is quite crucial and helps identify the present as well as intended director of the corporation.

To avail DIN number one needs to fill DIN-1 that is available on the website of Ministry of Corporate Affairs. The procedure is quite simple you first need to register yourself on the MCA website and after that DIN-1 form can be availed, filled and submitted for further process.

Register yourself on MCA Website first and have a login id. After filling DIN-1 Form, one should upload the filled form by clicking to eForm upload button on MCA website and should pay applicable fees.

After getting generated DIN one should intimate their company about DIN. The director can intimate their company about DIN by using DIN-2 Form. The company should intimate the Registrar of Corporates (ROC) about all director's DIN through DIN-3 Form.

If there is any change in DIN or need for any updation like change of address, personal details etc, then director should intimate this change by submitting the eForm DIN-4 Form.

4. Get your digital signature

Once you've done with your research, you need a digital signature certificate from a Ministry of Corporate Affairs (MCA) authorized agency. This takes up to five days but is important. This can be obtained from any one of the six vendors in the country.

The documents required include:

- Class-II form
- Self-attested copy of Driver's License/Ration Card/Voter ID/Aadhar Card or Latest Utility Bills
- Self-attested PAN card for Indian nationals
- Self-attested copy of Passport in case of foreign nationals

5. Do your Paper Work

This procedure is a bit complicated and requires a lot of documents. So, while re-submission is allowed, it is not wise to waste time. Hence, do all checks and submit accordingly.

You will also require the Director Information Number (DIN) for which one, two or three directors of the company can apply. The DIN is what the MCA identifies the company directors.

The documents required include:

- Scanned passport sized photographs
- Scanned copy of PAN (if Indian nationals, passport with foreign)
- Self-attested Voter ID/Latest utility bill/driver's license.

If you are a foreign national, you will need to get the scanned copies notarized from the Indian embassy.

Before registering the name of your company, you will need to confirm from mca.gov.in that the name has not been taken and neither is there any registered trademark to the same name.

6. Apply for the Company to be registered.

This is the final major step in a registration of your company which includes incorporating company name, Registering the office address or notice of situation of office and notice for appointment of company directors, manager and secretary. And also regarding the take and pay for their qualification shares.

Form-1:

Form-1A: Application form for availability or change of a company name. Once you apply for new company name, the MCA will suggest four different form of your company name; you have to choose one among them. To do the same you have you have to fill Form-1A and submit.

Form-1: This is for application or declaration for incorporation of a company, in this form you have to fill the same name which you have chosen during application of form-1A.

Form-18:

This form is for notice of the situation of a new company office or change of situation of previously registered office.

For a new company you have to fill the form with genuine office address and submit.

Form-32:

For a new company, this form is for notice for appointment of new Directors, Managers and Secretary.

For an existing company, this form is for a change of directors, Manger, Secretary or company head.

7. Submit the paper work it needs to be submitted/filed along with the fee, stamp duty and authorized capital fee. These are dependent on your location.

8. Get certified

Moving ahead, you will need to get the Incorporation Certificate from the government which is a big step ahead. After submitting these forms, once the application has been approved by MCA, you will receive a confirmation email regarding the application for incorporation of a new company, and the status of the form will get changed to Approved

9. Get the required registrations

When you are registering your business, you will also need to get your bank account registration, TAN number, registration of various acts and all fermented and suggested ways. You will need to register your PAN as well as TAN numbers. There are a bunch of other registrations that need to be done, depending on the type of company you have formed for your business – sole proprietorship, partnership, limited liability partnership, private limited company, or public limited company.

10. Decide the pricing

Once all the above steps are done and main paper work is behind you, you decide the pricing of your products or services.

11. Create website

If your business is online, then you need to create an online store and you need a website. This not only makes your business looks formal and serious, but is the best way to advertise it. For this, you will need a domain and hosting service and once you've got them, you can either create a website yourself or you can outsource is to a freelance designer.

12. Market your product/ service

Advertising is important. If you are a manufacturer, you will need to personally meet your prospective clients and get orders in the beginning. If you are a seller or a re-seller, then you need to advertise your brand as well as your product.

While word of mouth is still the best way to spread news, along with traditional advertising, you now also have access to the vast world of digital marketing. The country is going digital; it's time your business does too. Your reach will increase and so will your sales.

13. Practice cost cutting

Make sure you keep a track of expenditures, big as well as small, right from day one. Not only does this ensure no money is getting wasted, it also tells you where you can cut some cost. There will come times in your business, whether in the beginning or once it is on its way to growth, when you'll need to cut costs. Keeping track of expenditures ensures that too much is not spent right from the very beginning.

14. Tracking your financial situation.

Be sure you are having required working capital and informed about government policy for getting loan with benefits for gaining success.

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