



बजाओ

# Bharat Women Aspiration Index 2025

**A Catalyst for Change:**  
*Voices from the  
heart of India*



**tide**

women **in**  
business



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# Foreword

**By Smt. K. Ratna Prabha, IAS (Retd.)**

*Founder President, Ubuntu Consortium*

*Former Chief Secretary, Government of Karnataka*

It gives me immense pride to introduce the Bharat Women Aspiration Index 2025—an in-depth, grassroots-driven account of the hopes, challenges, and entrepreneurial spirit of women across India. This report does more than just present data; it captures the voices, struggles, and resolve of women from every corner of our nation—from bustling metros to the remote interiors of Bharat.

As a public servant and now as a passionate advocate for inclusive development through the Ubuntu Consortium, I have long believed in the transformative power of women-led enterprises. This report validates that belief with resounding clarity. What stands out is the sheer volume of ambition and innovation emerging from Tier 2, 3, and 4 cities—places often excluded from mainstream development narratives. These women are not just participating in the economy—they are redefining it.

About 1,300 women contributed to this survey. The findings are both inspiring and sobering. Women aged 20–29 form the backbone of this entrepreneurial wave, signaling a generational shift in aspiration and autonomy. Yet their challenges remain systemic: limited access to finance, digital divides, and deeply entrenched social expectations.

Particularly striking are the regional disparities in infrastructure and support. In remote towns, women still struggle with basic connectivity and clarity around licensing and documentation. Despite these barriers, their resilience shines through. The voices documented here—Shalini from Jamshedpur, Reema from Chapra, Faria from Lucknow—are emblematic of a larger movement that is quietly reshaping the socioeconomic landscape of India.

I commend the BWAI team for not only collecting this data but amplifying it through clear, actionable insights and forward-looking policy recommendations. The Ubuntu Consortium remains committed to working with governments, private partners, and grassroots organisations to ensure these recommendations are transformed into results.

Let this report serve not only as a mirror but as a map—a call to action for all of us to invest in the potential of India's women entrepreneurs. When women rise, entire communities thrive. And when we listen to their aspirations, we shape a more inclusive, equitable, and empowered Bharat.

# Executive Summary

— Gurjodhpal Singh, CEO, Tide India

India's economy is rapidly evolving. Women entrepreneurs are emerging as changemakers, driving innovation and growth. The majority operate in micro and small enterprises, lifting communities up, not just in urban centres, but beyond, as part of *Viksit Bharat*. Embodying the spirit of *Nari Shakti*, women entrepreneurs are redefining their role as they break down social and institutional barriers and gender biases. There has been progress toward a more inclusive business environment, yet they still face challenges due to deep-rooted social biases. This report aims to identify and address the barriers that prevent women entrepreneurs from actively contributing to the economy.

**Women entrepreneurs are now more confident in speaking up about their challenges, needs, and ideas for change:** About 55% of those surveyed said there were challenges in getting formal credit because of social biases in financial institutions. Nearly all, 94%, said financial products should be tailored to meet their needs.

**Women entrepreneurs are often expected to involve men in their financial decisions:** Nearly 28% of respondents said they always need a male family member to be involved when seeking funding, creating a major obstacle in their journey as entrepreneurs. Another 24% said that while not always required, this expectation has limited their access to funding. It's clear we need financial systems that treat women as independent and let them access resources without obstacles.

**Women entrepreneurs are committed to upskilling:** Notably, 58% emphasised the need to enhance their financial and business management skills, while 12% expressed a strong desire to develop digital competencies.

**Society and culture influences how institutions treat women:** An entrepreneur thrives in a supportive ecosystem where networking also plays a crucial role. However, only 14% of those surveyed frequently networked. This shows how deep gender bias shapes views on women's networking, creating a social barrier that clearly needs to change. Not far off 1 in 2, 41%, want more acceptance and support, pointing to a growing push for cultural recognition of their work.

By tackling key challenges – like limited credit access, social norms, and skill gaps – public and private stakeholders can turn obstacles into challenges.

Investing in digital skills, raising awareness of support programmes, and improving networking and mentorship – while tackling societal biases – will help women entrepreneurs turn their goals into reality and drive sustainable economic growth.

## Women in Business Speak Up: Barriers, Bias & the Need for Change

**55%**

Facing social  
bias in credit

**94%**

Demanding  
tailored financial  
products

**52%**

Needing male  
member  
involvement

**58%**

Seeking  
financial/business  
skills

**12%**

Seeking digital  
upskilling

**73%**

Facing  
Institutional  
hurdles

**14%**

Networking  
frequently

# Methodology

Women entrepreneurs in India are aiming higher and changing the entrepreneurial landscape. At Tide, we believe that all entrepreneurs – especially those from smaller cities, which we call tier II, III cities and beyond, should be free to follow their dreams without facing unfair barriers or bias.

The 2025 BWA report builds on the 2024 edition by looking more closely at the deeper structural and institutional challenges women entrepreneurs in India face. While the 2024 report looked at their day-to-day environment, the 2025 edition shows how gender bias and systemic barriers hold back women's growth – especially in smaller cities.

As India works toward becoming a high-income economy by 2047<sup>1</sup>, removing institutional barriers and enabling greater participation of women in the economy will be key to achieving that goal.

## Key Focus Areas of the Bharat Women Aspiration Index 2025



### Credit Accessibility

Examining systemic and gender-based hurdles in accessing formal financial services, including collateral, interest rates, and need for male intermediaries.



### Skill Training & Development

Evaluating access to business, financial, and digital upskilling, highlighting the gaps and barriers in skill acquisition due to time, cost, and awareness.



### Societal & Cultural Support

Assessing societal expectations, gender roles, and the influence of social norms on networking, mobility, and entrepreneurial visibility.



## Data Collection

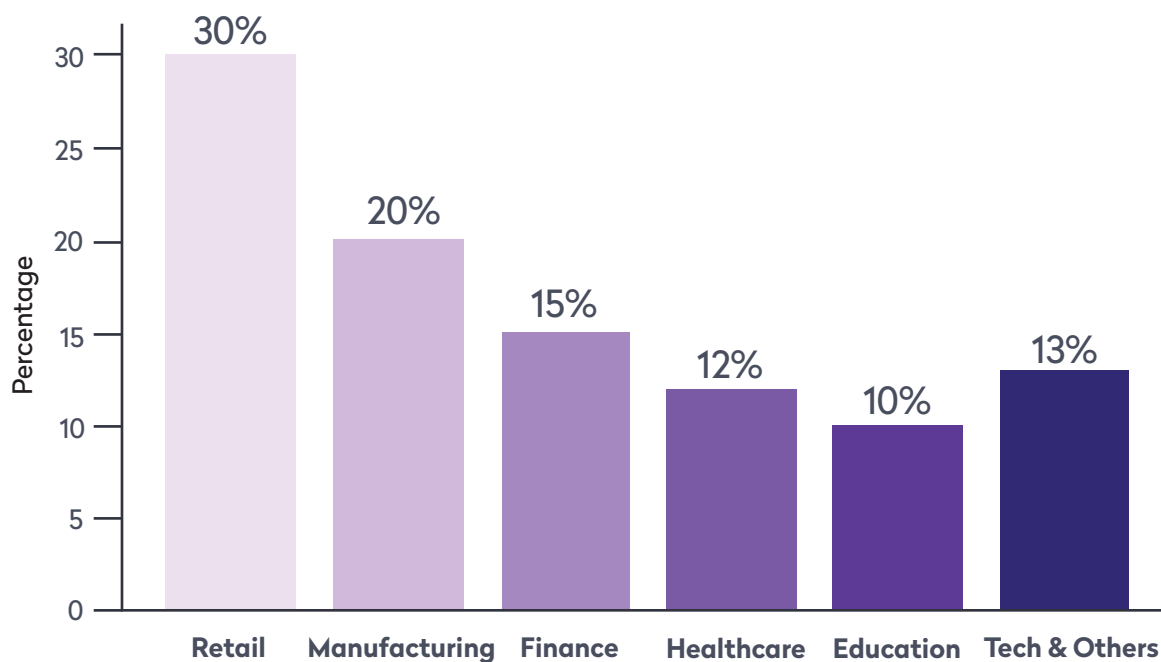
To better understand the challenges faced by women entrepreneurs in India, we surveyed women on the Tide platform. A total of 1,300 responses came from metropolitan areas, tier 2 and 3 cities, and rural parts.

The survey included women entrepreneurs from the MSME sector and solopreneurs, aiming to capture the challenges they face in different sectors and at various stages of their businesses. We surveyed both early-stage and established women entrepreneurs in industries like technology, healthcare, finance, manufacturing, and retail.

This approach gave a broad and diverse picture of women entrepreneurs, covering different experience levels, ages, business sizes, and socio-economic and geographic backgrounds. To maximise reach, we used digital channels, including email, social media platforms, and business networks to reach respondents. In addition, we also conducted in-depth interviews with some of the respondents to gather qualitative insights.

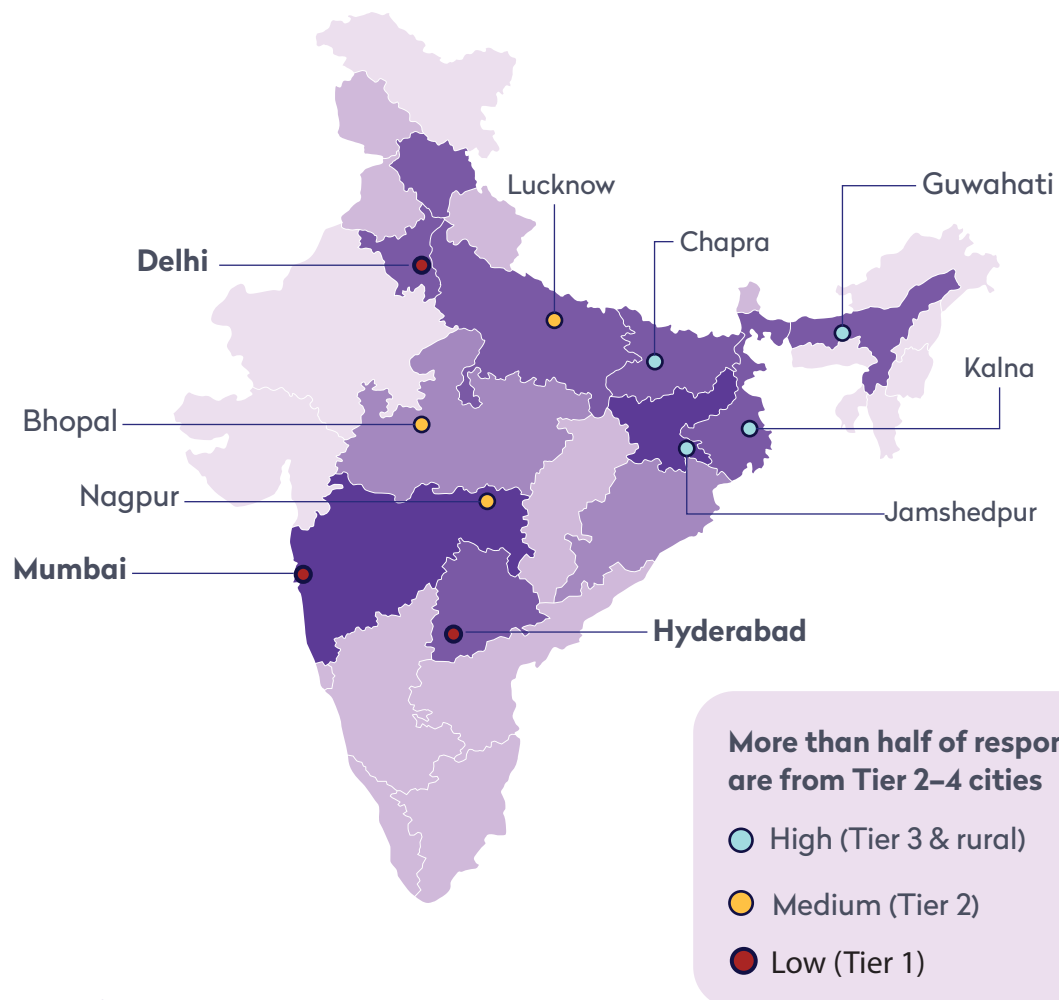
## Demographics

### Industry Representation of Women- Owned Businesses

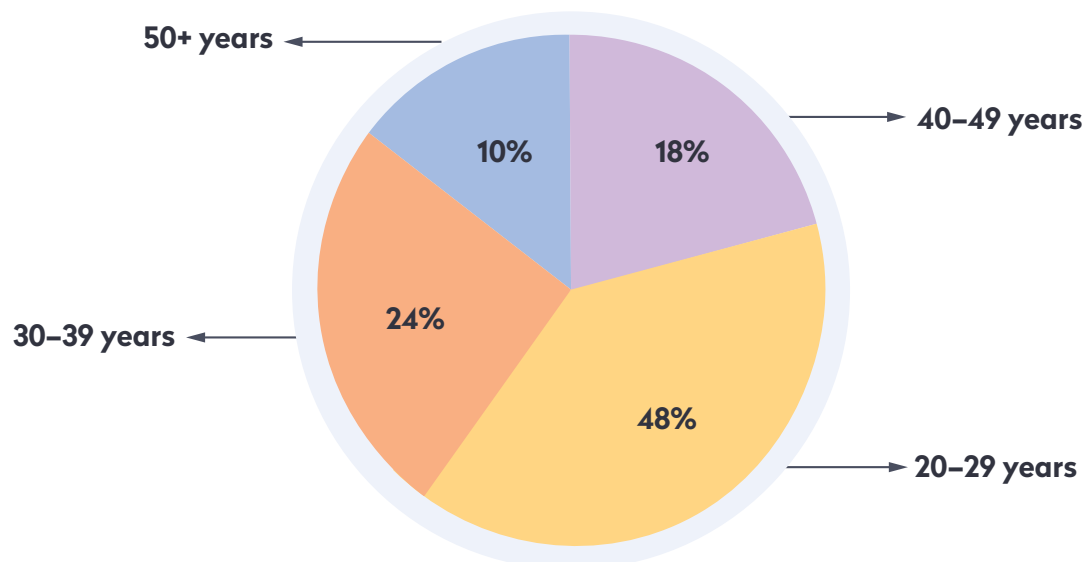


## Beyond the Metros:

### States/cities by participation density



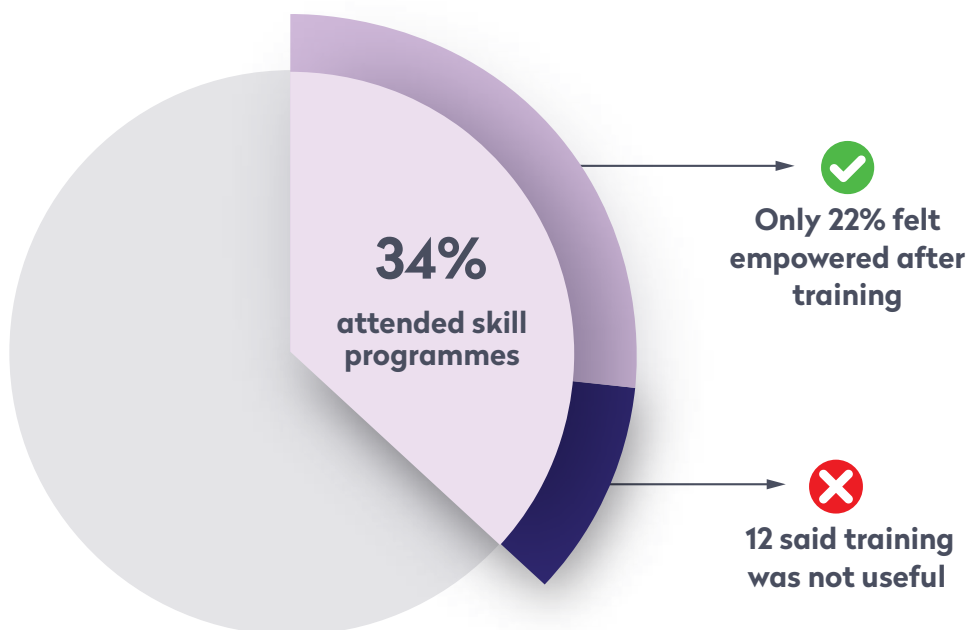
### Age Dynamics



## Major Challenges

38%	29%	24%	22%	16%
Financial Barriers	Limited Resources	Balancing Business + Family	Institutional Hurdles	Market Access Issues

## Skill Gap



## Challenges Matrix: Age + Location Insights

Age Group	Location Type	Primary Challenges
20–29	Tier 2–3	Capital, Marketing, Social Restrictions
30–49	Tier 3–4	Work-life Balance, Procedures
40+	Rural & Semi	Tech Access, Digital Literacy

# Age, Geography and Entrepreneurial Challenges

## A Ground-Level Snapshot of Women in Business

The Bharat Women Aspiration Index 2025 shares the views of women entrepreneurs from all over India. BWA I 2025 takes an in-depth look at answers from around 1300 women in cities, towns, and villages, that is urban, semi-urban and rural areas. The answers also provide understanding and clarity to respondents from age groups, where they live, and the different challenges they face.

## Age Dynamics and Business Aspirations

Our survey shows that almost half of all women entrepreneurs, at least in our cohort of 1300 respondents, are between 20 and 29 years old. This shows that many young women in India are starting businesses, helped by digital skills, access to mobile technology, and a growing push for financial independence.

Women aged 30–39 and 40–49 make up the next biggest groups, adding up to over 40% of the total. This suggests that many women start businesses after getting some work experience or once their family duties become more manageable.

Women over 50 are fewer in number but still important. These age differences show that we need support programmes that fit each age group, including special training, mentoring, and financial help based on their comfort with technology (refer to footnote).

## Tiered Geography: Beyond the Metros

Our survey shows that many women entrepreneurs come from smaller cities and towns like Kalna, Chapra, Guwahati, and Jamshedpur. Big cities like Delhi, Mumbai, and Hyderabad are part of the data but have fewer participants than expected. This shows a rising trend: more women in less-developed areas are starting businesses, even with little formal support.

In these smaller towns, women are often motivated by need and rely on local help—like self-help groups, community support, or knowledge of government programmes. Still, they face bigger challenges, such as poor access to markets and weak digital infrastructure.

## Common Challenges Across Demographics

A deeper segmentation of responses shows that challenges vary in nature and intensity based on both age and geography:

### **Balancing home and business:**

This remains the most cited challenge among women aged 30–49, especially in Tier 3 and 4 cities, where joint family structures and limited support services restrict time and flexibility.

### **Access to markets and capital:**

Consistently voiced by women in Tier 2 to 4 towns, across all age groups. Younger women (20–29) in these towns often talk about not having access to formal financial systems, including institutional funding.

### **Digital literacy and technology access:**

These problems are more common among women over 40 and those living in smaller towns, or (often fast-growing) peri-urban areas, where people have limited access to smartphones, and/or internet connectivity lags.

### **Customer acquisition and scaling:**

This is a common problem for women under 30, who want to grow their online presence but struggle with marketing skills and finding platforms to help them grow.

### **Gender-based limitations:**

A common but quietly shared challenge, especially by younger women from smaller towns, is how social limitations and limited access to business spaces make it harder for them to work.

These findings show that help should be more specific. It should be divided by age and location, with each group receiving help according to its own challenges and opportunities.

## Voices from the Field

"I need better access to reliable, low-interest credit tailored for women like me running small businesses, and I'm also looking for proper guidance to navigate online marketplaces and grow through digital platforms."

— *Saira, 38, New Azampara Village, Agra*

"As a small business owner, I need better access to reliable, low-interest credit tailored for women like me, along with the right guidance to navigate online marketplaces and grow through digital platforms."

— *Neelam Dixit, 32, Agra*

"I can't manage my business operations on my own—I need both financial support and help with manpower to sustain and grow. Access to affordable and easy loan options would make a big difference in scaling my venture."

—*Faiza, 26, Chinhath, Lucknow*

"I often face difficulty in finding customers for my business, and so far, I haven't explored any financial support options from outside sources."

—*Jyoti Pahuja, 46, Delhi NCR*

"I lack awareness of the government support available for entrepreneurs, and although I possess the necessary skills, the absence of suitable selling channels limits my business potential."

—*Reshma Bano, 42, Chinhath, Lucknow*

"We're told to 'dream big', but when I asked one of my older male family members (not willing to mention the relationship) to co-sign a loan, he said, 'Business is not for women.' That mindset is our real barrier."

—*Gelani Varsha, 32, Ahmedabad*

"We have strong women here, but access to networks and mentors is still limited. Most funding meetings I attend, I'm the only woman in the room—and often, the only one not taken seriously."

*—Krishna K Kalita, 32, Guwahati*

"Entrepreneurship is still seen as a side hobby for women, not a career. The hardest part isn't building the business—it's convincing my own family that I'm not neglecting them by having one."

*—Harini Kolli, 29, Chennai*

## Policy Recommendations

Based on what we've seen, here are some practical recommendations:

### **Localised Business Support Cells:**

Establish entrepreneurship support desks in Tier 2–4 cities with women-friendly staff to guide on licensing, financing, and marketing.

**Age-Specific Digital Training:** Create multi-language digital literacy modules for different age brackets — especially tailored for women over 40.

### **Mobile Mentorship Programmes:**

Use mobile messenger services and networking platforms to connect younger entrepreneurs with urban mentors in marketing, finance, and product development.

### **Flexible Loan Schemes:**

Promote microcredit and low-interest loans with minimal paperwork, targeting women-led businesses in remote geographies.

### **Rural Connectivity Corridors:**

A long-term plan would be to collaborate with telecom companies to improve digital infrastructure in entrepreneurship-dense areas.

## Conclusion

The data paints a powerful picture of the strength and ambition of women entrepreneurs across India, especially in smaller towns. Their challenges differ with age and location, revealing key areas where targeted policies, funding, and support can make a real difference. By focusing on improving digital access, building better infrastructure, and creating programmes that help balance home businesses with personal life, we can accelerate their journey to success.

*Tide used digital channels to conduct the survey, hence it is important to note that this may have lent itself to age representation. i.e. the responses attracted a younger cohort more as they have better access and understanding of technology.*



# Primary Challenges in Running a Business

Women entrepreneurs are playing a major role in driving change in the Indian economy by creating jobs and sparking innovation. In particular, women-led businesses have been crucial in supporting and strengthening communities in suburban and rural areas, helping Bharat. Despite their important role in transforming these regions, women entrepreneurs still face deep-rooted gender biases and embedded challenges that limit their own growth opportunities and equally hold back the socio-economic development of these areas.

While progress has been made at both the public and private levels to address these issues, there is a pressing need for coordinated action through a multi-stakeholder approach. These challenges underscore the need for robust institutional support, targeted policy interventions, and improved access to financial, technological, and human resources. By making wide-reaching changes, both the government and industry can help women entrepreneurs build, innovate, and scale. This would strengthen companies and boost economic growth.

## Barriers to Women’s Business Success

Challenge	% of Respondents	Key Issues Identified	Impact on Business
Limited access to funding and credit	38%	Collateral-based lending disadvantages women; gender bias in availing credit; low financial literacy.	Stunted business growth; reliance on self-funding; limited expansion potential.
Difficulty in scaling businesses due to resource constraints	29%	Lack of mentorship opportunities, lack of digital tools, relevant information, access to skilled workforce.	Slower business expansion; inefficiencies in operations; reduced competitiveness.
Balancing business with family responsibilities	24%	Societal expectations of caregiving; lack of childcare support; time constraints.	Women entrepreneurs forced to limit business hours, reduce networking, and scale slower.
Navigating institutional hurdles	22%	Complex documentation and gender bias in some areas.	Women struggle to formalise businesses, access grants, or secure government incentives.
Limited market access and networking opportunities	16%	Male-dominated business networks; lack of participation in industry expos; weak digital presence.	Women-led businesses remain localised, struggle to secure partnerships, and miss growth opportunities.

Despite the important role women entrepreneurs play in India's economic growth, they still face serious challenges. Financial barriers (38%), limited access to resources (29%), balancing business and family (24%), institutional hurdles (22%), and limited market access (16%) are the key struggles damaging their dreams and goals.

While 34% of respondents said they had attended government or NGO-led skill training programmes, 12% felt the programme wasn't relevant to their business. This means that only about 22% have the skills they need, while a large number still require skills development to overcome these challenges.

The good news? Change is possible via targeted policy interventions, and improved access to financial, technological, and human resources. By working together - governments, industry leaders, and communities - we can break down these barriers, provide better access to funding, mentorship, and technology. The outcome would be the creation of an environment where women-led businesses don't just survive but thrive.



# Skill Training and Development

Women entrepreneurs in India, for the main part, are micro and small business owners. Of the 1300 women who took part in our study, 77% belong in these categories. The heavy concentration of women entrepreneurs in these categories highlights the challenges and opportunities of scaling. Many identified the need for digital, financial, and business development skills to grow and sustain their ventures. Barriers such as family responsibilities, the high cost of skilling programmes, and limited awareness of the benefits of digital transformation have hindered their ability to acquire these essential skills.

## Digital Divide: A Barrier to Growth

While 52% of women surveyed work in sectors where digital skills are increasingly vital – such as retail, e-commerce, tech, and education – only 12% said they needed to learn them. This gap suggests that although digital skills are recognised, they are often deprioritised in favour of areas like finance and marketing. As a result, women entrepreneurs tend to underinvest in digital tools, focusing instead on immediate business needs such as financial management and marketing.

Broadly speaking, digital tools help businesses streamline operations, track key metrics, reduce operational costs and expand reach. However, data highlights that there is limited awareness amongst women entrepreneurs about how digitisation can fuel longer-term growth. Women in India are 64% more likely than men to believe that digital tools are unnecessary for their business, according to the 2023/24 Women's Entrepreneurship Report by Global Entrepreneurship Monitor. The high cost of digital tools, poor access to good internet, and lack of digital skills all limit the use of digital solutions.

## Financial Management and Marketing Skills: Growth Drivers

In our survey, 58% – more than 1 in 2 – women entrepreneurs expressed strong interest in learning financial management and marketing skills, recognising their importance for business growth and long-term success. This reveals a critical gap: without a solid foundation in financial literacy and management, many women may struggle with pricing, cash flow, and profitability beyond the day-to-day. This can limit their growth potential, reduce investment opportunities, and affect the sustainability of their businesses. A lack of digital skills prevents many from using digital marketing to expand their reach.

## How Institutional and Social Biases Limit Women's Business Skills

- Women entrepreneurs often lack digital, financial, and marketing skills, largely due to access limitations and social biases. Fields like finance, business, and technology have traditionally been viewed as male domains, limiting women's exposure to the essential knowledge needed to run a business. Social norms also reinforce the belief that men are better suited to handle business and financial matters, which restricts women's access to both formal and informal learning in these areas. Research shows that women are still significantly underrepresented in finance, STEM, and digital literacy programmes. On top of that, societal expectations – especially domestic responsibilities – make it harder for women to pursue training. In fact, 32% of women entrepreneurs said household duties left them with no time for skill development, and 21% said they couldn't take advantage of free training programmes offered by the government and NGOs.
- These individual challenges are closely linked to larger systemic issues. At an institutional level, financial institutions, investment networks, and professional circles are still mostly male-dominated, which limits women's access to credit, investment, and mentorship. Women-led startups not only receive significantly less funding and smaller deals than those led by men, and this can be observed by the sharp 75% drop in venture capital funding in women-led businesses between 2021 and 2023. These insights show how social and structural constraints reinforce each other, creating a cycle that holds back skills development and growth opportunities for women entrepreneurs.
- Structural constraints are made worse by poor communication that doesn't effectively reach or speak to women entrepreneurs. A striking 45% – nearly 1 in 2 women – said they weren't aware of government or NGO-led training programmes. On top of that, there seems to be a gap between what's offered and what women entrepreneurs actually need. While 22% found the training helpful, 12% said it wasn't relevant to their business. Another 22% pointed to the limited availability of suitable programmes as a barrier to building their skills.

## Policy Recommendations

The Government of India is actively supporting skill development and training for women entrepreneurs. However, a broader, multi-faceted approach is needed to address the systemic and social biases that limit the growth of women-led businesses.

## **Develop Structured & Accessible Training Programmes**

Many women entrepreneurs cite lack of time and relevant training programmes as a barrier. To address this:

- Flexible and self-paced training programmes can be designed in both online and offline modes, including weekend and evening classes to accommodate the unique needs of women entrepreneurs
- Expansion of regional entrepreneurship hubs to tier 2 and beyond cities
- There is a need to design training programmes for those sectors and industries dominated by women entrepreneurs.

## **Strengthen Government & Private Sector Collaboration for Specialised Courses**

Government and the private sector can bridge the existing skilling gaps effectively by:

- Partnering with tech companies, financial institutions and business schools for delivering comprehensive training in digital tools, fintech, and business management.
- Including business finance and entrepreneurial concepts in school curriculums to equip young women with business skills early on
- Incentivising women entrepreneurs to attend tailored programmes by certifying them and linking those certifications to government funding and loan approvals.

## **Establish Peer Mentorship & Women-Led Business Networks**

Lack of mentorship and networking opportunities for women entrepreneurs limits their access to relevant information, funding and scaling opportunities. This can be addressed by:

- Integrating mentorship with the training programme by connecting experienced business leaders with women entrepreneurs.
- Establishing peer learning and networking groups for women entrepreneurs at district, block and community levels to mainstream women entrepreneurship within cities.

Women entrepreneurs are a key force behind India's vibrant micro and small enterprise sector. This group is ready for major growth, especially as new industries demand digital skills. But there's a clear gap: while 52% work in fields where digital fluency is important, only 12% are currently investing in digital literacy. There's also strong interest in learning – 58% are eager to build their financial management and marketing skills, which are essential for long-term business success.

At the same time, challenges remain. Household responsibilities limit opportunities – 32% report time constraints, and 21% miss out on free training programmes. Nearly half (45%) are unaware of available training options, highlighting the need for better outreach.

Each of these insights points to an opportunity. With comprehensive reforms, targeted policy support, and strong skill-building programmes, we can create an environment where women-led businesses not only overcome these challenges but thrive and grow.



*Women entrepreneurs in Agra at the Tide advocacy cum mentoring roadshow in March this year.*



# Cultural/Societal Support

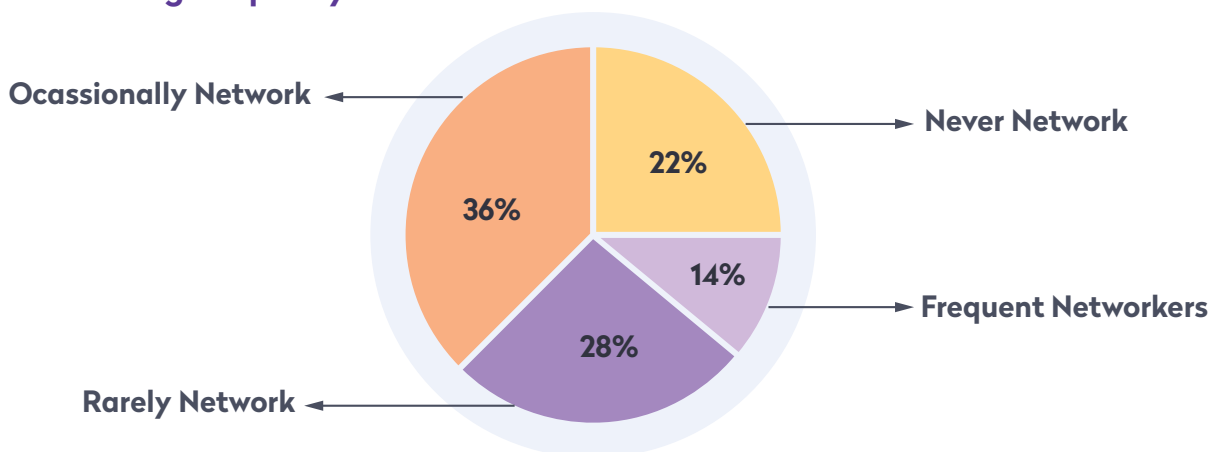
Women entrepreneurs play a key role in closing development gaps – reducing poverty, improving health outcomes, and boosting literacy. But despite their impact, they still face gender-based expectations, norms, and behaviours that limit their ability to grow and succeed. Societal scrutiny often keeps them from accessing important opportunities to scale and sustain their businesses.

In recent years, India has seen a gradual shift in how women entrepreneurs are perceived. More than three quarters, or 78%, of women surveyed in the BWA 2024 study credited family support as a key factor in their entrepreneurial journey, pointing to a positive change in how Indian families view women in business.

Still, gender discrimination remains a challenge, rooted in both cultural norms and systemic structures. Our 2025 study shows that social biases continue to hold women back, especially when it comes to networking. Networking is essential – it helps entrepreneurs find support, business opportunities, partnerships, funding, and insights, all of which are critical for growth, innovation, and long-term success.

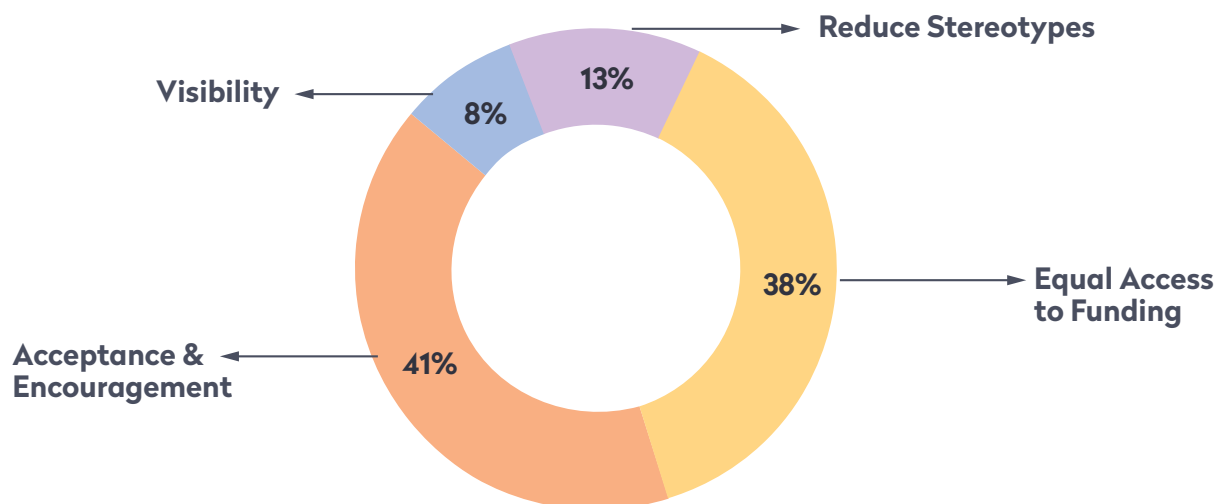
## Networking for Growth and Resilience

### Networking Frequency Distribution



A large number of women entrepreneurs rarely take part in networking activities—only 14% do so regularly. Half of the respondents said they network very little: 28% rarely participate, and 22% have never attended a networking event. This points to a gendered perception of networking in society, where it's often seen as inappropriate or at odds with household responsibilities. These findings highlight the need to create networking spaces and initiatives where women entrepreneurs can connect, learn, and grow in a supportive environment.

## Desired Societal Changes



The data shows that 41% of women entrepreneurs want greater acceptance and encouragement from society, highlighting the need for a cultural shift that values and respects women's entrepreneurial efforts. Such a shift would also help break down the embedded challenges that limit their growth. Additionally, 38% of women expressed a strong need for equal access to funding and resources. This points to the urgency of removing gender bias in funding. There is also an opportunity here to design financial products and services tailored to women entrepreneurs.

Women entrepreneurs said they really wanted better representation in the media and on public platforms, showing how important visible role models are in inspiring and validating entrepreneurial ambitions. While many women spoke about their indirect experiences with gender bias and the access limitations it creates, 13% specifically pointed to the need to challenge gender stereotypes that hold women back from reaching their full potential. This data reflects growing confidence among women in speaking up about the challenges they face and the changes needed to support their success.

## Recommendations

### Enhance Media Representation

Promote stories of successful as well as self-made women entrepreneurs from across age groups and geographies in mainstream media to challenge existing stereotypes and provide aspirational figures for emerging women business owners.

### Facilitate Networking Opportunities

Organise government and corporate-led networking initiatives tailored for women entrepreneurs, providing safe and supportive environments for knowledge exchange and collaboration



### **Implement Awareness Campaigns**

Develop multilingual omni-channel campaigns aimed at challenging gender stereotypes in entrepreneurship, educating the public on the value and capabilities of women-led businesses..

### **Establish Support Systems**

Create peer mentorship programmes and local women's business networks at the district or sub-district level to facilitate knowledge-sharing and support, addressing the isolation faced by many women entrepreneurs.

### **Ensure Equal Access to Resources**

Collaborate with financial institutions to design funding programmes that cater to the needs of women entrepreneurs, ensuring equitable access to capital and resources. Also, incentivise venture capitalists to increase their funding towards women-owned enterprises.



# Credit Accessibility

MSMEs are a key part of India's economy, with around 63 million (registered) of them contributing 30% of the country's GDP<sup>2</sup> and providing jobs to over 268 million people<sup>3</sup>. Over 22 million women own more than 22 million MSMEs<sup>4</sup>, mostly in capital-intensive sectors like manufacturing, retail, textiles, and food and beverages. However, these industries often have fewer physical assets, which makes it harder for women entrepreneurs to access formal credit.

Women-owned MSMEs have helped drive growth and innovation in semi-urban and rural areas, while also playing a key role in supporting communities by creating jobs. These businesses contribute to improving health, education, and household incomes, boosting socio-economic conditions.

However, despite their significant impact, women-owned MSMEs have often been underfunded and overlooked by banks and financial institutions. An IFC study<sup>5</sup> shows that women-owned businesses in India face a 70% funding gap, even though they have low default rates. It also notes that micro and small enterprises account for nearly 91%<sup>6</sup> of the demand for debt.

Most women-owned MSMEs are in the micro and small segments<sup>7</sup>, and the financing gap makes it hard for these businesses to grow, innovate, and scale. Only about a quarter of the financing they need is provided by formal financial institutions, which forces many women entrepreneurs to borrow from informal sources.

Our study supports these findings. Access to credit is a major issue, with women entrepreneurs often relying on personal networks for funding. Nearly 30% of those surveyed said they depended on self-funding or borrowing from family and friends. The study found that using informal sources for credit is often out of necessity, not choice. The lack of collateral, ownership of assets, and working in industries with few tangible assets make it difficult for women to secure large loans from formal sources.

## **Institutional Barriers and Gender Bias in Lending Practices**

Our data shows that almost 55% of respondents had trouble getting formal credit because of embedded social biases. They cited challenges like lack of documentation and high interest rates (32%), needing collateral (14%), and facing gender-based discrimination (9%) when trying to get loans for their businesses.

More than 1 in 4, 28% of women said they needed to be accompanied by a male family member when visiting a financial institution. More than half of the respondents felt there was some bias against them at these institutions. These findings show that women borrowers face stricter checks and less favourable loan terms than men, which limits their ability to grow their businesses.

## **Limited Financial Literacy and Awareness**

While women entrepreneurs struggle to meet the stringent requirements of financial institutions, 16% mentioned lack of financial literacy as a limiting factor. Lack of financial literacy can make these women entrepreneurs vulnerable as they may struggle to understand and meet the complex documentation or collateral requirements or negotiate better loan terms.

Gender biases, along with a lack of financial knowledge, make it harder for these women entrepreneurs - 77% of whom are in the micro and small sectors - to access affordable credit with good terms to grow and sustain their businesses.

## Policy Recommendations

While the government is committed to addressing these challenges through policy changes, it is essential for all stakeholders to work together. In recent years, the Indian Government has made significant efforts to make credit access more inclusive by lowering borrowing costs, reducing the need for collateral, and simplifying regulations.

These reforms are positive steps toward making financial institutions more accessible, inclusive, and responsive to the needs of women entrepreneurs. To build on these efforts, we recommend further actions to close the remaining credit gaps by improving lending policies, removing barriers, and addressing the need for digital and financial literacy programmes and mentorship for women entrepreneurs.

## Creating Gender-Responsive Lending Policies

Financial institutions should create lending products that offer collateral-free loans with higher borrowing limits. They should also improve how they assess credit by using alternative data, offer flexible repayment options (including missed payments during natural disasters or economic troubles), and provide better quality of microcredit options for small businesses.

## Streamlining Procedures

Financial institutions should reduce paperwork and make loan processes simpler. They should set up dedicated helplines and support centers in rural areas and small towns to answer credit-related questions in local languages. The requirement for male guarantors should also be reduced or eliminated.

## Developing Networking and Financial Literacy Programmes

There should be practical training and workshops to improve digital and financial literacy and build strong business skills. These programmes should be available through multiple channels and in local languages for easier access. Networking programmes should be created to help women entrepreneurs connect with mentors and funding opportunities.

# Financial Support for Women Entrepreneurs

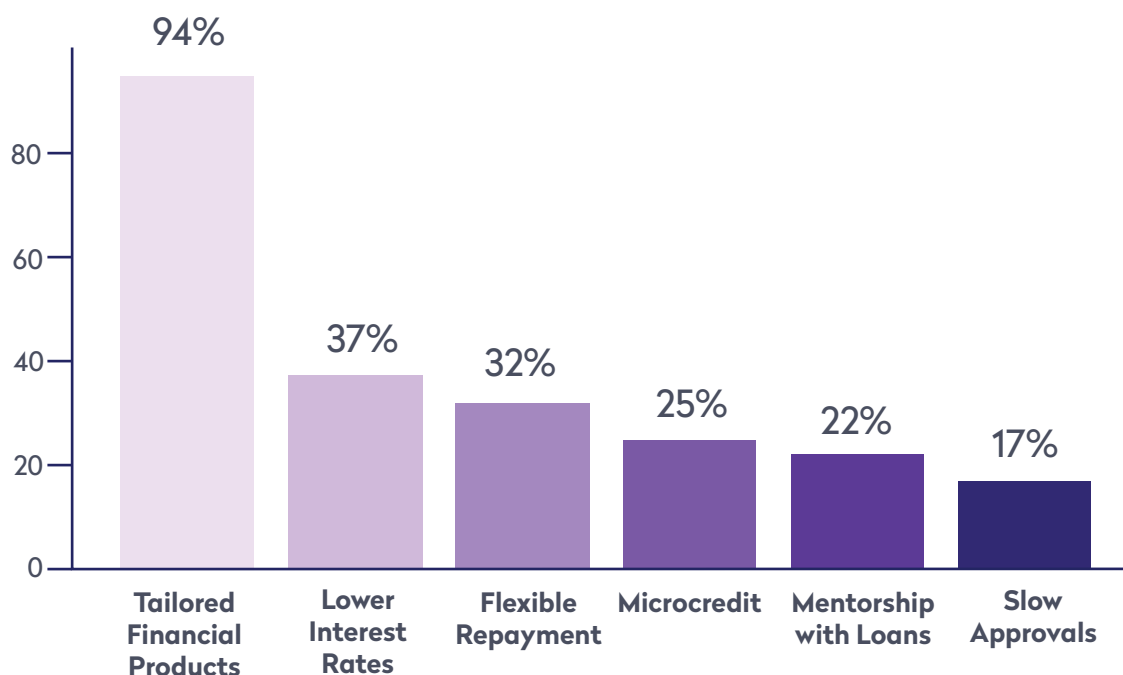
Access to financial support is a major challenge for women-led businesses.

Nearly all, or 94%, of the women surveyed said there's a need for financial products made specifically for women entrepreneurs. This shows that women entrepreneurs are recognising their needs and asking for products that suit them. A sizable 37% want business loans with lower interest rates, 32% want flexible repayment options, and 25% want microcredit. Since most women entrepreneurs run small businesses, these financial products would be very helpful for growing and sustaining their businesses.

Respondents also emphasised the need for mentorship and changes to the rules around credit to reduce barriers. About 22% of the women surveyed believe financial help alone isn't enough; they also need business advice. This matches earlier findings where women said that a lack of financial knowledge is a key challenge. Nearly 1 in 5, or 17%, pointed to slow loan approvals as a problem, highlighting structural limitations in the system. Long approval times make women avoid formal credit and turn to riskier informal loans.

Overall, the financial system still falls short in supporting women entrepreneurs. To change this, we need to create a more inclusive approach – offering easier access to credit, lending models that consider gender, flexible repayment plans, quicker processes, and guidance through financial mentorship. Only then can we truly empower women to thrive in entrepreneurship.

## Financial Needs and Preferences



# Conclusion

## A Future Free from Barriers

The Bharat Women Aspiration Index 2025 highlights an important truth: women entrepreneurs in smaller cities and towns in India have great potential, but systemic barriers hold them back. This report not only shows the challenges they face but also offers a roadmap for positive change.

### Access to credit

Access to credit is still the biggest challenge. In tier 2 and smaller cities, 30% of women-led businesses depend on informal or family funding, while 27% don't seek funding at all due to social bias. Only 21% are able to get institutional credit. Strict collateral requirements and low financial literacy create a cycle of exclusion. To fix this, urgent policy changes are needed to encourage alternative credit options, like collateral-free microloans and gender-sensitive lending practices.

### Cultural shift and closing the skills gap

Beyond financial and structural issues, a cultural change is needed. Societal biases and the lack of mentorship leave many women facing hidden barriers in entrepreneurship. This report shows that 86% of women entrepreneurs in these cities lack role models and rarely network, which limits their growth. To close this gap, we need mentorship programmes, community-building, and women-focused incubators.

Another big barrier is the lack of skill development programmes. Our findings show that 64% of women entrepreneurs in tier 2 cities lack formal business training, and 36% struggle with digital, financial, and legal knowledge. Without these skills, many can't take advantage of new opportunities or use technology in their businesses. Investing in training programmes like digital marketing, financial management, and leadership is crucial to building a strong, future-ready generation of women entrepreneurs.

## Women are aspirational

*The ambitions of women entrepreneurs in Bharat are strong. They are not only aiming for economic empowerment but also changing their communities. Those of us in positions of power, like policymakers and leaders, must realise that supporting their success is not just an economic priority – it's a national one.*

*The path ahead is clear. The insights from this report are not just data points – they are voices, ambitions, and untapped potential waiting to be recognised. With the right intent, inclusive policies, and collective action, we can unlock this vast potential. Let this report serve as a blueprint – not just for what needs to be fixed, but for what can be achieved.*

*The women of Bharat are ready to lead, innovate, and transform their communities. What they need is an ecosystem that meets them halfway. By removing barriers, we don't just support individual success stories – we lay the foundation for inclusive, sustainable growth that benefits the entire nation. A future free from barriers is within reach, and it is one where women from every corner of India can dream bigger, grow stronger, and lead the way in building a more resilient, equitable economy for all.*

*The future of India's economy is not just female – it is fearless, inclusive, and unstoppable.*

## Key Findings

- 77% of women entrepreneurs run small businesses, facing financial, and market access barriers that prevent growth.
- 38% have trouble accessing credit, and 94% want financial products that suit their needs. High interest rates, strict repayment terms, and slow approvals make it harder for them.
- Only 14% network regularly, and 22% never network. Social biases limit their involvement in business events, trade fairs, and investment networks, cutting down growth opportunities.
- 58% of women entrepreneurs need to improve their financial management and marketing skills, which are important for keeping their businesses sustainable.
- 24% of women cite family responsibilities as a major barrier, limiting their ability to scale, seek mentorship, or expand their market.

These insights highlight the urgent need for systemic reforms that not only provide women with financial resources but also create an inclusive and enabling business environment.



# Call to Action

## From Insights to Impact

The Bharat Women Aspiration Index 2025 is not just a list of policy ideas; it is a promise to take action. This report highlights the challenges women entrepreneurs face in smaller cities, but our goal is not just to document these issues – we want to create real change at the grassroots level.

## The Udaan Chronicles

One such initiative is The Udaan Chronicles, Tide's flagship advocacy cum mentoring roadshow, created to help small business owners in semi-urban and rural India. With the tagline "Strengthening small businesses, one city at a time," this initiative brings expert-led mentoring directly to entrepreneurs who lack access to formal networks and financial resources.

The journey has already started. The first Udaan Chronicles session was held in Agra, followed by a session in Rasoolpur Sadat, a village near Lucknow. These sessions provide SME owners with practical advice on business growth, financial management, and digital adoption, delivered by experts who understand the challenges of smaller markets.

Over the next year, we plan to expand this initiative to 12-15 cities and villages, reaching over 500 entrepreneurs across India. Through workshops, one-on-one mentoring, and local insights, we aim to close the knowledge gap and give small business owners—especially women entrepreneurs—the tools they need to succeed.

The Udaan Chronicles shows our belief that real policy change happens when it empowers people on the ground. While we continue to push for change at the highest levels, we know that direct action at the grassroots is key to turning aspirations into reality.

## Local Role Model programme

Building upon last year's commitment to launch the Tide Women in Business Ensemble (TWIBE), through which Tide has been working to establish peer community groups across India to provide both offline and online networking opportunities for women entrepreneurs, Tide is introducing a complementary initiative focused on local role models. This new programme aims to spotlight and support grassroots women leaders who can inspire and guide others within their communities.

Through the Local Role Model programme, Tide aims to spotlight everyday women entrepreneurs who are driving change in their communities — building networks, breaking stereotypes, and inspiring the next generation of changemakers. By identifying and elevating local women leaders, we're not just looking to create role models —we're looking to build ecosystems of trust, ambition, and shared success across India's untapped entrepreneurial landscape.

By integrating the TWIBE network with the Local Role Model programme, Tide seeks to create a robust ecosystem that not only facilitates networking and mentorship but also enhances visibility and representation for women entrepreneurs, particularly in Tier 2, 3 and beyond cities. This combined approach addresses the challenges highlighted in the BWA 2024 and 2025 reports, such as limited access to credit and the need for greater societal encouragement, by fostering a supportive environment where women can thrive and lead by example.

We invite policymakers, industry leaders, and supporters to join us in this mission. Together, we can make sure that entrepreneurship in Bharat is about more than just surviving - it's about sustainable, scalable, and inclusive growth.

## **Policy Recommendations for Enhancing Women's Participation in Entrepreneurship**

### **Gender-Responsive Financial Policies**

- Integrate financial literacy and mentorship with credit schemes to improve women's financial decision-making.
- Simplify loan application processes using digital banking solutions to ensure faster approvals.

### **Strengthening Networking & Market Access**

- Create government and corporate-led networking initiatives that connect women entrepreneurs with industry leaders, investors, and peers.
- Increase women's participation in trade fairs and investment platforms.

### **Work-Life Balance & Social Support for Women Entrepreneurs**

- Challenge gender stereotypes through awareness campaigns, highlighting successful women led businesses.
- Encourage male allyship in business and policy spaces, fostering a more supportive entrepreneurial culture.

## Building an Inclusive Business Ecosystem

- Women entrepreneurs are not lacking in capability—they are lacking access to opportunities, funding, and institutional support. The time for action is now.
- To Policymakers: Promote financial inclusion, and integrate gender-responsive policies into business frameworks.
- To Financial Institutions and Investors: Expand access to credit to support women-led startups.
- To Corporates and Business Networks: Facilitate networking events, procurement opportunities, and mentorship programmes to strengthen market access.
- To Society and Media: Normalise women's leadership in business, challenge stereotypes, and create role models for future women entrepreneurs.

## Final Thought:

Empowering women entrepreneurs is not just about gender equity—it is about unlocking a massive economic opportunity. By removing barriers and fostering an inclusive business environment, we can accelerate innovation, job creation, and economic growth. It's time to take action and build an ecosystem where women entrepreneurs thrive, scale, and lead.

By working collectively, we can create lasting change and open new opportunities for women-led small businesses across India.



*Tide team with Chikankari artisans from the Village Women MSME Chikankari Embroidery & stitching Cluster at Rasoolpur Sadat in Lucknow during the advocacy session earlier in April 2025.*

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