

# A STUDY OF WOMEN ENTREPRENEURS IN GEMS AND JEWELLERY SECTOR

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## 1.0. ABSTRACT

*Entrepreneurship amongst women has been a recent concern. Women have become aware of their existence their rights and their work situation. However, women of middle class are not too eager to alter their role in fear of social backlash. The progress is more visible among upper class families in urban cities. The rising demand for Indian gems and branded jewelry from across the globe is primarily being driven thanks to the increase in per capita income of the consumers. In fact, the sector is now witnessing changes not only in consumer preferences, but also jewel designers. Today, women are entering into the gems and jewelry sector and achieving heights. Women entrepreneurship in gems and jewelry sector is blooming. The study will deal with the challenges and constraints that the women entrepreneurs are facing in gems and jewelry sector. Also, the study will give recommendations by which those constraints can be tackled.*

Keywords: *Women entrepreneurship, Gems and Jewelry, Constraints.*

*[Plagiarism of the present study according to Copyscape Premium Software is 0%]*

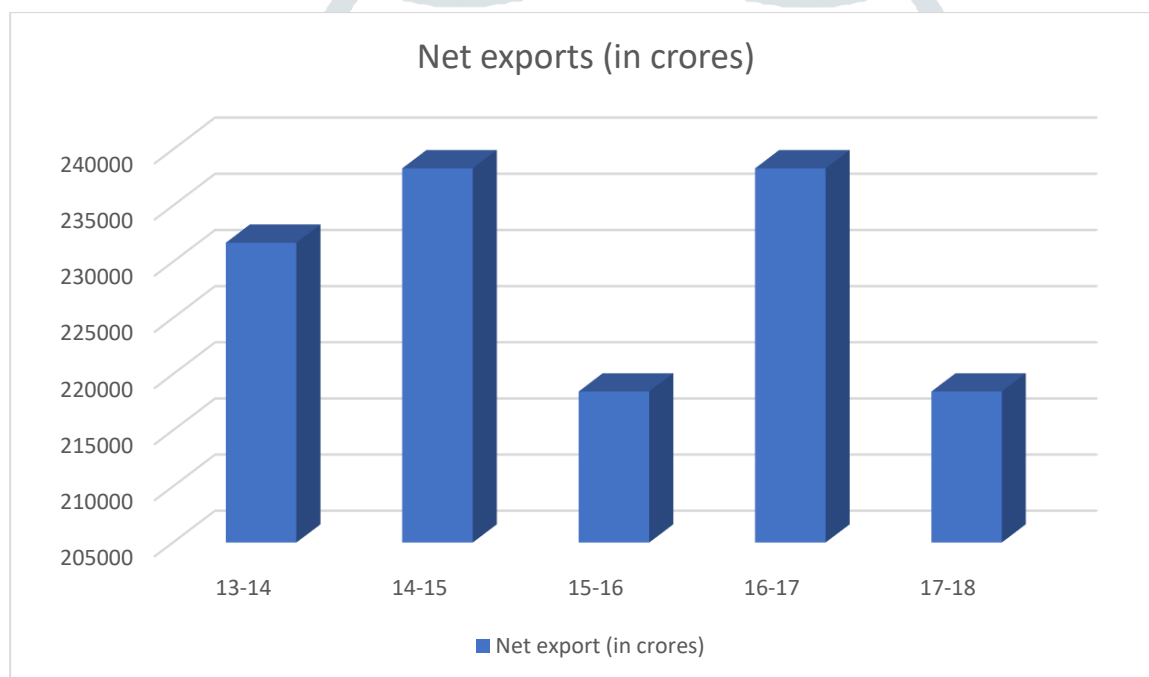
## 2.0. INTRODUCTION

Gems and jewelry sector is an integral part of the nation's economy with its huge potential. A report released by the Gem and Jewelry Export Promotion Council and KPMG states that the global Jewelry industry has the potential to grow to USD 280 billion (Rs.18,53,647 crores) by 2018.

In India, the gems and jewelry industry has been growing at a good pace and it accounted for 14% of India's total merchandise exports in 2011-2012. India is also world's largest diamond processing (cutting and polishing) country with an 80 per cent share in world market. The most significant aspect contributing towards the growth of this sector is India's favorable trade policies.

**Table 1: Export of Gems and Jewellery**

| Financial Year | Net Exports (in crores) |
|----------------|-------------------------|
| 2013-14        | Rs.2,31,705.95          |
| 2014-15        | Rs.2,38,326.12          |
| 2015-16        | Rs.2,18,465.61          |
| 2016-17        | Rs.2,38,326.12          |
| 2017-18        | Rs.2,18,465.61          |

**Chart 1: Net Exports**

**Source:** The Gems & Jewelry Export Promotional Council (Compiled by BS Research Bureau)

From the above table and graph, it can be witnessed that net export of gems and jewelry in India has been more or less constant within the range of Rs. 218465.61 crores to Rs.238326.12 crores.

The purchasing power and disposable incomes of the Indian consumer have considerably increased and it has created a niche for leading branded jewelry in the last decade, resulting in phenomenal growth in this sector.

This industry was a primarily male dominated one but the scene has considerably changed in the proverbial 21st century times. This change is synonymous with the shifting role of women in the

society and economy around the globe. Though it has not been a very easy journey for women to enter the threshold of a man's arena, they are successfully combating long-standing prejudices and are working their way to the top of companies or starting their own businesses in increasing numbers. The more overwhelming fact is that a lot of middle and lower middle-class women are entering the industry and breaking the boundaries.

### 3.0. WOMEN ENTREPRENEURSHIP

Women entrepreneurship is the discipline or a part of entrepreneurship in which women implement their ideas into business by optimally using all resources needed and undertake risks. They provide employment to others but manage business independently. This is an outcome of development of women due to growth in education, urbanization, liberalization and awareness of democratic values. According to a survey conducted, women entrepreneurs constitute 1/3<sup>rd</sup> of the entrepreneurs in the world.

The concept of women entrepreneurship started in 1970s with the introduction of Women's Decade (1975-1985). This concept strongly contributed to the economic well-being of the family and communities, poverty reduction and women's empowerment, thus contributing to the Millennium Development Goals (MDGs).

The Government of India has defined women entrepreneurs based on women participation in equity and employment of a business enterprise. Accordingly, the Government of India has defined women entrepreneur as "an enterprise owned and controlled by a woman having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated in the enterprise to women." However, this definition is subject to criticism mainly on the condition of employing more than 50 per cent women workers in the enterprises owned and run by the women.

Women entrepreneur may be defined as a woman or group of women who initiate, organize, and run a business enterprise. In terms of Schumpeterian concept of innovative entrepreneurs, women who innovate, imitate or adopt a business activity are called "women entrepreneurs".

In nutshell, women entrepreneurs are those women who think of a business enterprise, initiate it, organize and combine the factors of production, operate the enterprise and undertake risks and handle economic uncertainty involved in running a business enterprise.

#### 4.0. WOMEN ENTREPRENEURS IN GEMS AND JEWELLERY SECTOR

##### 1. Tanya Rastogi, Director of Lala Jugal Kishore Jewellers

Tanya Rastogi is a Jewelry Connoisseur and curator, known for her everlasting eternal creations and enticing estate jewelry masterpieces. Coming from the family of the Nawabs 'Lala Jugal Kishore Jewelers, the jewelers to the Nawabs of Awadh since centuries', Tanya Rastogi was fortunate to have access to rare jewels that were once only adorned by the Nawabs of Lucknow. Her relentless love for jewelry is the prime force behind the creation of 'JEWELS OF AWADH'. Her eternal romance with antiquity and passion to restore rare designs from the bygone era is the reason that she creates enticing, eternal and imperial designs for generations to cherish.

She has been known for her work at the Christine's Auction, with proceeds going to the NGO, Nanhi Kali, as well as being a part of a Community Based Organization that works for the cause of revamping the infrastructure of government schools. Over the last decade, the jewelry giants from Lucknow, Lala Jugal Kishore Jewellers advanced by leaps and bounds, with the aid of Tanya's brilliant artistic acumen and vision. She has personally managed and brought up 3 of Lala Jugal Kishore Jewellers' flagship stores in Lucknow, in Mahanagar, Aminabad and Alambagh, respectively.

Achievements of Tanya Rastogi include:

- 2014–Jewellery piece designed by Tanya Rastogi was nominated in the **Best Gold Jewellery** category at the **Retail Jeweller India Awards**
- The works of signature jewellery label Tanya Rastogi have been **auctioned at the Christie's Auction**
- In the year 2015, LJKJ co-owner and jewellery designer **Tanya Rastogi was honoured as one of the women achievers at the HT Woman Awards**
- Tanya has been greatly instrumental in bringing big names from the jewellery industry such as **Gemfields, Forevermark and Rio Tinto, to Lucknow**

- LJKJ co-owner and ace jewellery designer Tanya Rastogi was **honoured by www.VelvetCase.com** at a promotional event in Mumbai

Among the share capital of Lala Jugal Kishore Jewellers, authorized capital is Rs. 11,000,000 while paid up capital is Rs. 9,212,500

## 2. Vidhya Mazumdar

Vidhya Mazumdar is a Commerce Graduate with Honors in Advertising, Marketing and Salesmanship. She holds professional qualifications related to the gem and jewelry industry such as Graduate Gemologist (GIA), Accredited Jewelry Professional (GIA), Pearls Graduate (GIA), Diamond Graduate (HRD), Basic Gemmologist Certificate (SSEF), Diploma in Gemology and Certificate in Jewelry Designing (St. Xavier's College).

She has 23 years of total work experience of which she has dedicated 18 years to the gem and jewelry industry and has worked in the best companies of the industry in various job roles. She is currently a freelance corporate trainer specializing in customized courses for corporates and retail jewelers as well as a consultant for various aspects related to the industry alongside writing articles in trade magazines. In fact, Vidhya is probably the only woman in India who is working as a freelance corporate trainer of Gems and Jewelry sector.

## 3. Shobha Choksey, Founder of Shobha Shringar Jewellers

The journey of Choksey began in the 1970s when she started creating exquisite pearl and silver jewelry from home and sold them via just word of mouth. Today she is not just spearheading the sector but also a prominent name in the jewelry industry. Choksey says that every design is uniquely made of either gold, diamonds or has jadau work with a combination of pearls and colored stones on it. Every piece is handpicked or designed by in-house expert team of Shobha Shringar Jewellers.

With so many designers and competitors in the market, Choksey says that personalization helps not just combating competition but also carving a niche for oneself. In the jewelry industry personalization plays a very vital role in creating the customer experience. Choksey's inspiration and role model is Rekha, the actress who is a symbol of timeless beauty and elegance. She also says that it is important for women to abandon fads and rather focus on creating "timeless designs that will always be in trend."

#### 4. Vandana Saraf, Director of Aishpra Gems and Jewels

Aishpra Gems and Jewels, founded in 1940, is a brand that enjoys a huge client base due to its constant endeavor to evolve, transform, and remain relevant to its customers, their choice of jewelry, and the prevailing market trends. Saraf married into the founding family took over the reins and has become an integral part since then!

Vandana Saraf claims that each piece made by her brand is trend setting and is meticulously worked upon, taking care of even the minutest details of finish and wear ability in mind. Saraf is very particular about taking care of the two aspects of entrepreneurship-brand building and customer satisfaction. Recently they introduced virtual reality experience for customers. This is not the only way how the customer is taken care of but every customer gets personal attention.

The annual turnover of Aishpra Gems and Jewels is over 3000 crores by 2018. Its authorized capital is Rs. 50,000,000 while its paid-up capital is Rs. 2,901,040.

#### 5.0. CONSTRAINTS FACED BY WOMEN ENTREPRENEURS IN GEMS AND JEWELLERY SECTOR

The gems and jewelry industry is primarily an unorganized sector but recent times have witnessed several organized players entering the scene. The rising spending capability on Indian consumer has made this sector a lucrative business opportunity for the women entrepreneurs. Majority of women entrepreneurs consider this industry as a very profitable sector and are doing considerably thriving business.

There is a growing need to modernize the sector in tune with International standards. It is the most essential factor in competing with global market and most respondents feels that it is the clarion call of the times. Innovation is the buzz word and Indian jewelry manufacturers have to modernize their designs according to the consumer needs. Traditional designs have their own market share in certain regions such as the South East Asian market but to meet global standards, it is essential that European and American markets are also understood and the Indian industry adapt itself in order to capture larger markets.

The Indian Gems and Jewelry industry is largely an organized and fragmented sector. It is plagued by several bottlenecks, especially for women entrepreneurs. They have to face several operational hindrances from procurement of raw materials to skilled manpower, from manufacturing to

marketing and retailing. Most respondents from the small and medium enterprises are of the opinion that it is difficult for them to obtain quality products such as gemstones in the markets specially in Delhi. They also feel that the basic problem in the industry is the traditional mindset of people involved. The industry is not interested in paying good wages and nor is it open to train their existing manpower as they feel threatened by them. They also fear poaching and sharing of their internal practices. Respondents also face various constraints in manufacturing, marketing and retailing of their products.

This sector is well supported by the banking sector but the respondents feel that financing options are not adequate in India. They feel that financial institutions are skeptical in funding women run ventures and this is especially true for small and medium enterprises. Financing is very weak, banks are very cautious, and do not extend credit against goods and receivables as they are looking for collateral.

Looking at the growing prospects and emerging opportunities, the government has introduced several schemes to promote this sector and encourage entrepreneurship in gems and jewelry. Foreign Trade Policy 2009-14 has identified the gems and jewelry sector as a thrust area with prospects for export expansion and employment generation. The gems and jewelry sector are a major foreign exchange earner. Due to its importance in India's foreign trade, the government has taken many initiatives to boost the sector. The government, for instance, has declared this sector as a thrust area for exports. But the respondents are of the opinion that the existing schemes are not enough and more needs to be done in terms for pragmatic policies to sustain global competition.

## 6.0. RECOMMENDATIONS

1. The Government should formulate policies to encourage gems and jewelry as a career opportunity and give boost to training opportunity so that skilled manpower is easily available in India. The respondents also suggested that skill enhancement centers should be setup with an aim to develop skills amongst the crafts persons.
2. The state governments should follow the model followed by Gujarat government to promote this sector. Gujarat boasts of good infrastructure, a well-developed market and a good business environment and this is the reason why it is the leading state in India in gems and jewelry sector, as it contributes to about 72% of the total exports of India.
3. It is also recommended that the government introduces specific measures for women entrepreneurs to encourage them so that the growing potential of this sector is tapped. Branded jewelry does have a bright scope in Indian market, specially diamond studded

gold jewelry. This category should be focused upon and policies to promote branded jewelry should be further encouraged.

4. It should also be taken into consideration that women entrepreneurs from across the country should be provided with a platform to develop linkages with national and international markets, develop partnerships with value chain operators and network with persons in related industries.

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