

## **FINANCIAL STABILITY AND BUSINESS DEVELOPMENT AMONG MIGRANT ENTREPRENEUR IN PUNE CITY**

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### **Abstract**

Very city is experiencing migration and migration is part of development process. The development of the city migrants also contributes a lot. Migrant entrepreneurs have contribute a lot for economic development through generation of revenue, profit, employment, capital formation etc. In the process they also face a lot of difficulties and struggles. Financial stability, business development and sustainability are major concern in the adverse socio-cultural conditions they work. The current study tries to unearth the problems faced by migrant entrepreneurs in Pune city. The study also throw light in to opportunity and profitability of various business, business strategies adopted by them, different business models in building up customers and business development and difficulties faced in this process. Pune being a growing city with ample opportunities for growth for every sector of business due to its geographical location – proximity towards economic capital of our country, growth IT hub and a city for education. Several business areas where migrant entrepreneurs have tried their hand and have become successful. The study comments on various fields, strategies and difficulties faced by migrant entrepreneurs in developing and contributing to the growth and development of the city. Migrant entrepreneurs in Pune have contributed significantly to the city's economic growth and development, and the city offers ample opportunities for them to succeed.

**Keywords:** Migrant Entrepreneurs, Business Strategies, Financial Stability, Types of Business

### **Introduction**

Financial stability and Business development among migrant entrepreneur depend on location of business, variety of factor including access of capital, regulatory environment, cultural adaption and personal resilience. Migrant entrepreneurs have a number of advantages. They often bring unique perspectives and experiences that can help them identify market gaps and create innovative products and services. They may also have networks of contacts in their home countries or in other parts of the world that can be valuable for international trade. Location plays a huge role in attracting and retaining the best employees, optimize work-life balance. Good location decisions can significantly boost a company's long-term performance. Migrant entrepreneur faces a range of challenges when it came to achieving financial stability and business development. Poor ones can cost millions in lost talent, productivity and capital. Migrant Entrepreneur led to economic growth of region and economic growth leads to increase in revenue and profitability which create great opportunity for business. While choosing location there is best advantage to opening business in big cities (Pune). Big cities have a large population, which means there is a larger potential customer base. Cities usually have a greater variety of businesses, which can provide customers with more choices and help businesses to stand out from the competition. Big cities have a large population, which means there is a larger potential customer base. It has better infrastructure, including transportation and communication systems, which can make it easier for businesses to operate and finally, cities often have more resources, such as banks and venture capitalists,

which can help businesses to get started and to grow.

### **Scope of Study**

To understand the financial stability and business development among migrant entrepreneur in Pune

- Pune is one of India's largest cities and a major centre for education, manufacturing, and information technology.
- Pune is ideal for starting small or micro-businesses due to its fast-paced economy and high per capita income.
- It has low cost of living compared to other metro cities. Increase standard of living.
- The city has good weather throughout the year. It has good environment to work.
- Easy to get best resources, material and good infrastructure at working place.

Researcher's studies about migrant entrepreneur came from other cities or state in Pune for their business, challenges they face and what is financial position and development of their business.

### **Statement of Research Problem**

Migrant entrepreneurs face a variety of challenges when starting or operating businesses in urban cities. Some of the most common problems that they encounter include:

- **Access to Capital:** Migrant entrepreneurs often lack the financial resources to start or expand their businesses. They may not have the necessary collateral or credit history to obtain loans from traditional financial institutions.
- **Language Barrier:** Many migrant entrepreneurs may not be fluent in the language spoken in the city where they are operating, which can make it difficult to communicate with customers, suppliers, and employees.
- **Discrimination:** Migrant entrepreneurs may face discrimination based on their race, ethnicity, or nationality, which can limit their access to resources and opportunities.
- **Limited Networks:** Migrant entrepreneurs may lack the social networks and connections necessary to access key resources and support, such as mentorship, partnerships, and contracts.
- **Regulatory Hurdles:** Migrant entrepreneurs may encounter complex and restrictive regulations and licensing requirements that can make it difficult to start or operate a business.
- **Cultural Differences:** Migrant entrepreneurs may struggle to adapt to the cultural norms and practices of the city where they are operating, which can impact their ability to build relationships with customers and suppliers.
- **Competition:** Migrant entrepreneurs may face intense competition from established businesses in the city, which can make it difficult to gain market share and build a customer base.

The researchers try to find out how the migrant entrepreneurs responded to these challenges

### **Objective**

- To find out opportunity and profitability of various business run by migrant entrepreneur in Pune city
- To find out business strategies for the expansion and growth of business.
- To find out solid business model, building a loyal customer base, and cultivating strong partnerships and networks among migrant entrepreneur.
- To find out problem and difficulties faced by migrant entrepreneur in Pune city.

### **Migrant Entrepreneur in Pune City**

The researcher research on population of migrant entrepreneur in pune and the types of businesses running by them.

#### **Types of Business**

Aluminium retail shop	Electric material retail shop	Real State
Coaching Centre for Competitive Exams	Start An Event Management Company	Room Rental Business
Start a Pune Tour Agency	Start A Herbal Products Brand	Briquettes Manufacturing from Agro Waste
Start An Alternative Medicine Centre	Starch Production from Jowar	Develop Software for Businesses
Start An Automation Company	Agro Tech Startup	Open A Desi Gym
Start A Medical Store	Start Digital Marketing Agency	Academic Tuition Classes
Start Organic Farming	Grocery Wholesale Business	Create & Sell Courses Online
Auto Spare Parts Manufacturing	Become A Financial Consultant	Start Export Business

The market of migrant business increase in last till 2017 and then slight drop in their profitability due to many migrant entrepreneurs move toward their home town because of covid -19. The retail shop like medical store, digital market agency is easy to develop in less investment in Pune city. The environment and infrastructure of Pune, develop the growth of business. Starting up the business in Pune is slight risky and face some major challenges like languages and accessibility of investment.

The migrant easily get workforce in Pune, get connect with their customer very frequently. The sale, demand for the product increases.

#### **Problem Faced By These Company**

- The company need high investment for materials, product etc. even the location for the shop also needs huge amount of capital. They do not have the necessary collateral or credit history to obtain loans from traditional financial institutions. They get capital form friend& family.
- The entrepreneur is from Uttar Pradesh and Pune basic language is Marathi. The migrant entrepreneurs have difficult to communicate with customers, suppliers, and employees, manufacturer.
- Migrant entrepreneurs may lack the social networks and who guide them as mentor or a partner.
- Migrant entrepreneurs may encounter complex and restrictive regulations and licensing requirements that can make it difficult to start or operate a business.
- The company face intense competition from established businesses in the city, which can make it difficult to gain market share and build a customer base. Their competitor.
- At starting position the person don't have shelter to live. They live at construction site and work their only.

**Business Strategies Used For Growth of Business in Pune City**



Most small companies have plans to grow their business and increase sales and profits. However, there are certain methods companies must use for implementing a growth strategy. The method a company uses to expand its business is largely contingent upon its financial situation, the competition and even government regulation. Some common growth strategies in business include market penetration, market expansion, product expansion, diversification and acquisition.

**Benefits of Migrant Entrepreneurs in Pune**

- Economic Growth: Migrant entrepreneurs can bring in new ideas, skills, and resources, which can help boost the local economy by creating new job opportunities, increasing competition, and driving innovation. This can lead to overall economic growth in the region.
- Diversity and Cultural Exchange: Migration brings diversity and cultural exchange, which can enhance the overall social fabric of the city. New cultures and ideas can bring fresh perspectives and ways of thinking, which can lead to more inclusive and tolerant communities.
- Entrepreneurial Spirit: Many migrants come to Pune with the intention of starting their own businesses, which can foster a culture of entrepreneurship and innovation. This can also help create a supportive ecosystem for startups and other small businesses in the region.
- Knowledge Transfer: Migrant entrepreneurs can bring with them new knowledge and expertise from their home countries, which can help enhance the local workforce's skills and capabilities. This can ultimately help improve the overall competitiveness of the region.
- International Connections: Migrant entrepreneurs often have international connections and networks, which can help facilitate cross-border trade and investment opportunities. This can open up new markets and help local businesses expand globally.

Reason for Migration in Pune		
Modern and Dynamic Infrastructure	Affordable	Better Cost of Living
Pune's infrastructure is expanding at a rapid rate. This location now houses a large number of educational institutions, software	Although Pune is well-developed in terms of all the aspects, here you can still acquire a commercial property at a very	Pune is cheaper to live in as compared to another metropolitan city. Here you get access to similar types of amenities but at a better and more affordable cost.

companies, and other commercial zones. There has been an increase in demand for commercial real estate as the growth potential of corporate firms significantly increases post-pandemic due to the presence of modern infrastructural solutions in Pune	affordable price. If you've just started with your new venture and looking for a cheaper and yet best alternatives then you can surely buy or rent yourself a commercial property in Pune at locations which are just a drive away from the city centre.	The expenses related to accommodation, transportation, education, food and entertainment are lesser. Thus, it is guaranteed that you can live a comfortable life with minimal expenses allowing working professionals to lead a more balanced lifestyle.
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**Reason for Migration: Pull & Push Factors**

Migration, or the movement of people from one place to another, can be caused by a variety of factors. Some of these factors are push factors, which are negative conditions or circumstances that compel people to leave their homes or countries, while others are pull factors, which are positive conditions or opportunities that attract people to a new place.

Area	Push	Pull
<b>Economic Reasons</b>	Lack of employment opportunities or low wages	Better job opportunities with better payments
<b>Social Reason</b>	Political instability Discrimination and marginalization Lack of social services	Family Reunification Better Quality of Life Cultural and Social Opportunities
<b>Physical Reasons</b>	Natural disasters Environmental degradation Water scarcity	Better climate conditions Access to natural resources Environmental protection

**SWOT analysis of Pune city for Business**

A SWOT analysis may be incorporated into the strategic planning model.

➤ **Strengths:**

Characteristics of the business or team that give it an advantage over others in the industry. The strength of business in Pune city good infrastructure, best environment, low investment. Pune city have hub of talent, hub of IT, location near to Mumbai and cost advantage and because of these advantages migrant entrepreneur can start their business and increase financial stability and growth of their business.

➤ **Weaknesses:**

Are characteristics that place the firm at a disadvantage relative to others. Migrant entrepreneur is facing the problem like development of business in plan way, language problem, capital for business, environment degradation.

➤ **Opportunities:**

Pune has a thriving startup ecosystem with many opportunities for entrepreneurs. The city is home to several incubators and accelerators that provide support to startups. These organizations offer mentorship, funding, and networking opportunities that can help migrant entrepreneurs succeed. Pune also has a large pool of skilled and educated professionals who can contribute to the growth of new businesses.

Another advantage of Pune is its location. The city is well-connected to other major cities in India, making it easier for entrepreneurs to expand their businesses. Pune also has a diverse

consumer base, which presents an opportunity for entrepreneurs to cater to different segments of the market.

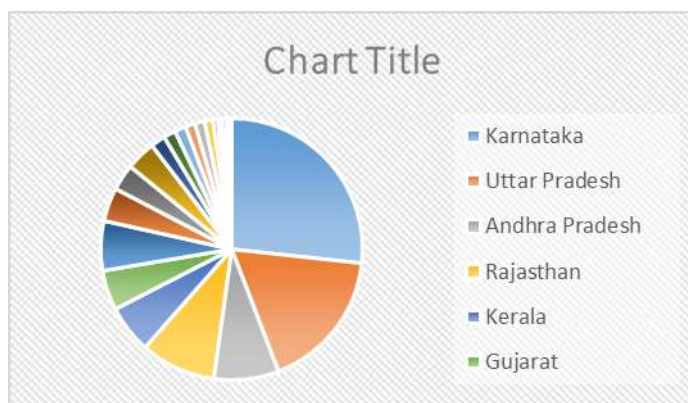
➤ **Threats:**

External elements in the environment that could cause trouble for the business. Depletion of business, high risk, time consuming.

**Analysis of the Data Collected**

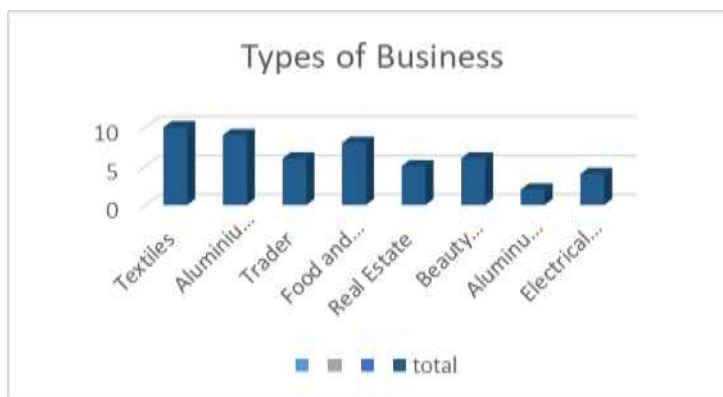
**Composition of Migrant Entrepreneurs in Pune City**

The graph indicates that there are more migrant entrepreneurs from Karnataka and Uttar Pradesh than in other states in Maharashtra. People from Uttar Pradesh and other states migrate to Pune to develop their ideas and increase the financial stability of their businesses because other states, like Uttar Pradesh, were unable to offer more opportunities to entrepreneurs.

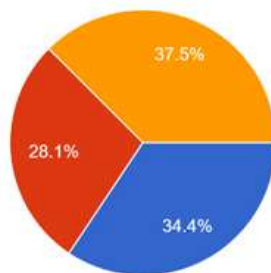


**Types of Businesses Engaged by Migrant Entrepreneurs in Pune City**

The survey results revealed that non-seasonal businesses are growing in Pune. The retailer shops for aluminium and steel are able to improve their level of financial security in Pune. There are more essential goods like clothing, food, and shelters available in Pune as a result of the city's growing middle class. Business expansion and the desire for a better living are the main drivers of migration. For the best means of subsistence and better opportunities for their children's education, migrants leave their state.



### Major Reasons for Selection of the City



Pune city for business	Response
Modern and Dynamic Infrastructure	34%
Best city to live in	28%
Easy to get connect with customer	37%

Migrant company owners like Pune since it is simple to live there for a low cost and to make more money with less investment. For businesses, connecting with customers is simple. The economic growth of the city will increase as product sales and demand rise. When relatives are already established in a certain location, it is simple for migrant company owners to obtain finance for their ventures and daily necessities. The majority of migrant entrepreneurs that reside in Pune have roots there. Businesses are expanding more sustainably in the city, and some of them chose that place for their enterprise since it was easy to succeed there and they knew more about the industry.

### Business Growth Rate in Pune

The business growth rate increased by 50–70%, and the city of Pune's excellent infrastructure will help it continue to thrive in the future. Pune's growing economy, supportive business ecosystem, and government initiatives make it a promising location for business growth. However, like any other city, there may be challenges and competition that businesses need to navigate to achieve sustained growth.

### Profitable Opportunities

Most favourable business in Pune	Response
Industrial Activities	22.6 %
Wholesale Business	51.6%
Retailer Business	22.6%

Wholesale business is expected to rise in the future. Because of the ongoing rise in consumer demand and product sales in the market, whole sale shops are the most lucrative business for migrants in Pune. The analyses demonstrate that Pune is the greatest city for both business and daily life. A wholesale business can be favourable if you can source products at a low cost and sell them at a profitable margin to retailers or end consumers. Pune has a growing consumer market with a diverse population, making it a potential location for a retail shop. Manufacturing company could be a favourable business option. Pune has good connectivity, availability of skilled labour, and government support that can aid in setting up and running a manufacturing unit.

### **Findings:**

- After doing this research paper this is clear that the migrant business owner in Pune is making continuously profit and their growth rate is continuously increasing. As we know development is a key aspect of any business. Pune is home to several industrial clusters, including automotive, engineering, and IT. These clusters offer various business opportunities, including collaborations, joint ventures, and supply chain partnerships.
- The migrant entrepreneur issue of investment for startup business. Pune has several incubation centres, such as the Venture Centre and the Pune Smart City Incubation Centre, that provide mentorship, funding, and networking opportunities for startups.
- The government of Maharashtra offers several schemes and incentives for businesses, such as the Maharashtra State Innovation Society and the Maharashtra State Innovation and Startup Policy. These initiatives provide support and funding for startups and innovative businesses in Pune. Pune has various trade associations, such as the MCCIA (Maharashtra Chamber of Commerce, Industries and Agriculture) and the Pune Auto Cluster, that provide networking opportunities and support for businesses in their respective sectors.
- Pune that offers business support services to migrant entrepreneurs, including networking opportunities, legal and financial advice, and marketing support. Examples of such organizations are the National Small Industries Corporation (NSIC) and the Maharashtra Industrial and Economic Development Association (MIEDA).
- Training and Development Programs: Several organizations in Pune offer training and development programs for entrepreneurs, including courses on financial management, marketing, and leadership skills. These programs can help migrant entrepreneurs to improve their business skills and achieve financial stability.
- Pune is a thriving business hub in India and offers several opportunities for profitability. Here are some factors that make Pune an attractive city for business:
- Pune's strategic location, in the heart of India, makes it a convenient location for businesses looking to access both domestic and international markets. It is well-connected to major cities in India and has an international airport.
- Skilled workforce: Pune has a highly skilled and educated workforce, thanks to its many renowned educational institutions. This makes it easy for businesses to find talented and skilled employees.
- Infrastructure: Pune has well-developed infrastructure, including roads, airports, and communication networks. The city also has several industrial areas and business parks, such as the Hinjewadi IT Park, which is home to several multinational companies.
- Business-friendly policies: Pune has a business-friendly environment and is known for its ease of doing business. The city has streamlined procedures for obtaining licenses and permits, and the government is actively promoting entrepreneurship and innovation.
- Growing industries: Pune is home to several thriving industries, such as automotive, IT, and manufacturing. This provides a variety of opportunities for businesses to collaborate and partner with local companies.

### **Conclusion**

Pune offers ample opportunities and profitability for migrant entrepreneurs to establish and grow their businesses. With its strategic location, skilled workforce, robust infrastructure, and business-friendly policies, Pune provides a conducive environment for entrepreneurs to thrive.

The city's diverse population creates a unique market for businesses to tap into, and its growing startup ecosystem provides access to funding, mentorship, and networking



opportunities.

The data analysis reveals that the migrant entrepreneurs come to Pune in order to improve their lifestyle. Additionally, it indicates the issue of migrant entrepreneurs having 50% less access to capital. In Pune, there are more migrant entrepreneurs than local ones, and there are more different kinds of businesses operating there.

The challenges of migrant entrepreneur in Pune can overcome these challenges by leveraging technology, building strong relationships with their customers and suppliers, and seeking support from business development organizations.

Migrant entrepreneurs in Pune have the potential to contribute significantly to the city's economic growth and development, and the city offers ample opportunities for them to succeed.

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