

Gendered Corporatization: The Efficacy of the One Person Company as a Vehicle for Women's Entrepreneurial Emancipation

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Abstract: These days, the intersection of corporate jurisprudence, macroeconomic policy, and gender has become a quintessential site of scholarship, unsettling the long-held presumption that legal rules regulating the corporate form are value-neutral. For many years, the core building blocks of corporate law ranging from the corporate separation of ownership and control to the foundational doctrine of limited liability have been examined with a narrow, neoclassical economic setup, one that has for long overlooked the gendered relations that influences the formation of capital, sharing of risk, and governing of the modern corporation. The last few decades Yet have seen the advent of an earnest corporate law scholarship committed to unraveling that alleged neutrality. This literature highlights the structural exclusion, institutional biases, and embedded network of sociopolitical relations that have historically underpinned differential access for men and women to corporate ownership and positions of power.

Against this complex scenario of knowledge and praxis, the formalization of Micro, Small and Medium Enterprises (MSMEs) stands out as a critical frontier of women's economic emancipation. On a global level, female enterprise is considered not only as a matter of moral sphere for equality of gender, but also as a matter of macroeconomic survival, as it is directly linked to the goal of uninterrupted innovation, employment generation and systemic growth. But, the available pathways for women to formalize their business activities have long been far too restricted. Female entrepreneurs have traditionally been "pushed" into home-based solo entrepreneurship, which exposes them to full personal liability in business affairs, or "pulled" into complex, multi-member corporate arrangements, which require large amounts of capital, involve intricate regulator-entrepreneur interactions and imply the difficult task of finding co-founders.

Keywords: company, gender, dignity, protection, technology

I. INTRODUCTION

The operationalization of the OPC as a distinct legal entity structured as it is in multiple jurisdictions across the world, including the recent adoption by a formalized structure of the Companies Act, 2013 in India, marks a profound structural intervention in the legal landscape. Established To be exact for providing those who are

otherwise liable to a lack of legal protection based on their identity as a lone entrepreneur, the OPC does precisely that. It is a tailor-made and niche mechanism introduced for solitary entrepreneurs to formalize their enterprise and be treated equally in the formal economy. For women entrepreneurs, who are fraught with systemic obstacles, lack of institutional access to capital, cultural expectations on both domestic and professional labor, structural burdens of gender, as well as outmoded prohibitions and phobias in the form of fear of failure, the OPC emerges as the most discrete and promising vehicle.

This research report gives a detailed analysis of the OPC as a mode of gendered corporatization. Using a combination of macroeconomic employment figures, feminist legal theory, comparative corporate models, empirical entrepreneurial patterns and up-to-date jurisprudence, this report critically evaluates the actual success of the OPC. It questions whether the OPC system actually destroys old patriarchal obstacles to capital and formalization, or whether it produces these obstacles by camouflaged statutory prerequisites. This report concludes whether the OPC would be a sustainable tool for the ensuring of women's prolonged economic equality and market access.

II. SIGNIFICANCE

This study holds profound significance because it unmask the long-held assumption that corporate law and legal rules regulating the corporate form are value-neutral. By challenging the traditional, neoclassical economic setups of corporate law, this research introduces a critical gendered lens to the formation of capital, sharing of risk, and governance of modern corporations.

Macroeconomic Survival: Accelerating and formalizing women's entrepreneurship is shown to be a matter of macroeconomic survival, linked directly to uninterrupted innovation, employment generation, and systemic growth.

Unlocking Potential Global Wealth: It highlights the immense stakes involved, noting that if women participated in the global economy at the same rate as men, global GDP could increase by \$28 trillion (or 26 percent).

Weaponizing Patriarchal Tools: The study is highly significant as it demonstrates how a historically patriarchal legal mechanism, the doctrine of limited liability, can be weaponized as an "entrepreneurial shield" to protect female wealth and lower the gendered "fear of failure" that traditionally keeps women in the informal economy.

III. SCOPE OF THE STUDY

The scope of this paper is situated at the intersection of corporate jurisprudence, macroeconomic policy, and feminist legal theory.

Jurisdictional Focus: The study looks at global models but focuses heavily on India's corporate legal framework, specifically analyzing the operationalization of the One Person Company (OPC) structure under the Companies Act, 2013.

Target Demographic: It evaluates Micro, Small, and Medium Enterprises (MSMEs) spearheaded by solitary/solo women entrepreneurs.

Socio-Legal and Financial Boundaries: The paper limits its analysis to structural impediments (access to venture capital, compliance burdens, trade regulations), procedural legal exemptions (AGM and board meeting relaxations under Indian law), statutory vulnerabilities (the nominee director requirement), and state-sponsored fiscal schemes (Stand-Up India and Startup India).

IV. AIMS AND OBJECTIVES

Aims

The primary aim of this research report is to critically analyze and evaluate the actual success and efficacy of the One Person Company (OPC) as a sustainable vehicle for women's prolonged economic equality, entrepreneurial emancipation, and market access.

Specific Objectives

- To deconstruct the alleged "neutrality" of corporate law using feminist legal frameworks.
- To examine the systemic macroeconomic and socioeconomic frictions (such as unequal labor force participation, venture capital gender biases, and fear of failure) that burden female founders.
- To assess how the application of limited liability to solo founders via the OPC mitigates risk and protects the personal and familial wealth of women entrepreneurs.
- To evaluate the procedural enablements, technological advancements (e.g., SPICe+ web forms), and statutory compliance exemptions provided to OPCs under Indian law.
- To investigate whether the mandatory statutory requirement of appointing a "nominee director" introduces camouflaged patriarchal gatekeeping and shadow control over women-owned OPCs.
- To analyze the synergy between the OPC legal structure and state-subsidized financial schemes like Stand-Up India.

V. HYPOTHESIS

Based on the critical inquiries raised in the text, the paper operates on a dual, tension-based hypothesis:

Primary Hypothesis: The One Person Company (OPC) framework successfully acts as an emancipatory vehicle for female entrepreneurs by offering absolute managerial control, slashing bureaucratic compliance costs, providing a corporate legal identity, and extending a robust protective shield of limited liability that actively lowers the gendered fear of financial failure.

Alternative/Counter-Hypothesis: The emancipatory potential of the OPC is structurally compromised or bottlenecked by deep-seated patriarchal realities; specifically, the statutory prerequisite to designate a "nominee director" forces reliance on male family members, which inadvertently facilitates intra-household gatekeeping, tax evasion practices, and shadow male management.

VI. RESEARCH METHODOLOGY

The study employs a mixed qualitative and quantitative doctrinal approach:

Feminist Legal Theory: Applies Liberal, Dominance, Relational, and Vulnerability theories to analyze institutional corporate power balances.

Doctrinal Jurisprudence: Evaluates statutory laws (Companies Act, 2013), corporate rule amendments, and judicial precedents regarding limited liability and corporate veils (Salomon, Amrit Pal Singh, and Endemol).

Empirical Data Triangulation: Integrates and analyzes secondary quantitative data from global and national bodies, including the Global Entrepreneurship Monitor (GEM), McKinsey Global Institute, the Ministry of Corporate Affairs (MCA), MoSPI, and the Udyam Registration Portal.

The Macroeconomics of Women's Entrepreneurship and Structural Impediments

While there seems little doubt about the economic rationale for encouraging and accelerating women's entrepreneurship, a closer look at the operational context reveals a decade-long, systemic gender gap that appears to be exacting a significant burden on the global economy. Globally, there are some 231 million women-owned businesses in operation in 59 countries as the GEM, a vast and vibrant pool of economic activity. The macro effects of scaling this source of growth are nothing short of mindboggling. Analysts at the McKinsey Global Institute have calculated, for example, that if women participated in the global economy at the same rate as men, the global gross domestic product (GDP) could increase by \$28trnor 26 percent. In developing and fast growing economies like India, the macroeconomic multiplier of female entrepreneurship is even more crucial and pronounced for a country's economic growth.

Female owned ventures are statistically distinct in their likelihood to employ other women, and so all macroeconomic policies that actively advocate women entrepreneurs boost FLFP; an increase in the success of female entrepreneurs leads to a ripple effect of more women entering the formal labor force. Also, promotion of high-growth women entrepreneurs directly boosts aggregate productivity by reallocating talent efficiently and weeding out older and low-productivity male ventures from the product market. Still, despite these empirically well-established macroeconomic advantages to female-founded firms, the operating environment that women founders face is subject to systemic frictions and inequities that burden female entrepreneurs. Women are often penalized into the informal sector, and are often confined to "own-account enterprises" that do not utilize hired workers, nor grow in scale or acquire the formal structural legal protection of a formally registered enterprise.

In India's labor force participation, for example, disparities are profound. Based on a recent economic working paper, the general labor force participation rate in the entire country is approximately 64 percent; But, this obscures a gender disparity, as 91 percent of men participate in the labor force, but only 39 percent of women. So, there are 4.2 men in the labor force for every 1 woman in the country's workforce; in this environment, 35 percent of men operate own-account enterprises, but only 12 percent of women.

Long-term institutional and structural constraints still hold back scale in established employer firms, for example women-owned firms earn an average of only \$1.6 (vs. \$4.6 for men) in revenue. Still, one of the key constraints being institutionalized and institutionalizing is access to capital. Women have serious and well-documented disadvantages in accessing institutional and venture debt space largely controlled male investors and traditional underwriting engines that do not incorporate women-specific risks. Recent studies on

systematically interviewing international VCs illustrate a shocking extent of fiercely ingrained gender stereotyping.

Apart from the initial issue of capitalization, cross-border regulation historically disproportionately disadvantages women-led enterprises. Evidence from a survey of women entrepreneurs taking their businesses global suggests that close to 60 percent encounter struggles with complex compliance issues, trade regulations and export laws, while a significant 80 percent reports dire challenges for international finance with a significant lack of capital, and delays in settling international receivables, further impeding scale-up. These facets of finance combine with sociocultural norms, a generalized lack of higher-up corporate leadership role models and the inability to engage the right professional networks, to create a punitive culture where progress from an informal micro-venture to a formal, scalable corporate entity appears insurmountable. The legal setup through which formalization is achieved must be closely examined on its ability to reduce these particular vulnerabilities.

Feminist Epistemology in Corporate Law: Deconstructing the "Neutral" Corporation

In a sense, the only way to understand the truly transformative implications of the One Person Company is to interrogate corporate law as we have received it and to do so with all our minds and I happen to think all our eyes wide open before this most basic of corporate constructs. Corporate law as we know it has been built on the fundamentally unquestioned dogma of neutrality, and it has tirelessly sought to silence the Goliath of agency costs, contractual nexus theory, and shareholder wealth maximization, pretending these are manifestly objective, bestowing unto us, immovable and immutable, under the law. It is begun to seem profoundly notable that, as feminist legal theorists have convincingly argued, the very pretensions to neutrality, hide an entwined and inseparable structure of gendered normativity that benefits and upholds the interests of the historically masculine, and anathematic for the interests and welfare of women.

Theoretical Frameworks of Feminist Corporate Jurisprudence

The feminist critique of corporate law draws on a broad spectrum of theoretical perspectives to deconstruct the modern corporation. Liberal feminism, for example, directs its attention toward visible claims of gender identity and the deliberate gendering of historical processes and gendered exclusion from corporate boardrooms, executive suites and capital markets. It aims at formal equality and the removal of discriminatory barriers. Dominance feminism shifts its focus from conspicuous representation to the mechanics of institutional power itself and offers a powerful critique of the gendered privileges claimed by institutional actors within corporate law through the oppressive machinery of tight corporate hierarchies that all too often exact the patriarchal order. Perhaps most relevant for our study of the closely held enterprise, and the OPC, is relational feminism. Relational feminism directly challenges the classical, dominant liberal vision of the human being as an ultra-individualized, fully rational, self-maximizing, totally autonomous economic agent.

In stark contrast to the classical liberal optimism of the human individual, relational jurisprudence declares that, if anything, human beings are rooted in, and deeply interconnected to one another; and emphasize the enormous legal and moral importance of human relationships, particular historical circumstances, and the ethic of care. In the eyes of relational jurisprudence, the dominant corporation theory of corporate legal

personhood, that humans are utterly distinct legal entities separate from the humans who manage and control them, is extremely problematic. It enables law to emphasize abstraction over human context, and effectively filters out the real-world social and ecological impacts of corporate action.

Second, yet another feminism-funded universal, vulnerability theory, challenges oversimplified notions of binary gender to comprehensively analyze how institutional relationships to one another in the corporate nexus principal and agent, owner and workers are inherently and structurally unequal. The theory places the work of corporate law in perspective by claiming that corporate law perpetually renders certain institutional structures structurally vulnerable with no agency and beneficial to agency those at the top of corporate structure. Progressive feminists like Kellye Testy hypothesize on the occurrence of corporate law studies protecting the structurally vulnerable such as the minority shareholder oppression remedy by claiming that courts lack out and utilize the values of feminism itself fairness, rejection of abstraction, human tellability of corporate abusers.



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