

Entrepreneurship Development in India: Emerging Scenario

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Abstract-Entrepreneurship is the key to India's development. Entrepreneurship acts as a catalyst for the economic prosperity of a nation. It is important as it utilized local resources, employment and rural development. It leads to generation of employment, contribution in national income, rural development, industrialization, technological development, export promotion etc. Entrepreneurship has been described as the "capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to make a profit. Entrepreneurship is not new to India. In fact to quote from the Indian Industrial Commission Report (1916-1918)-"At a time when the West of Europe, the birth place of modern industrial system, was inhabited by uncivilized tribes, India was famous for the wealth of her rulers and for high artistic skill of her craftsmen. And even at a much later period, when the merchant adventures from the West made their first appearance in India, the industrial development of this country was, at any rate, not inferior to that of the more advanced European nations." **Entrepreneurship** is the process of designing, launching, and running a new business which is often initially a small business offering a product, process, or service for sale or hire. The people who create these businesses are called **entrepreneurs**.

In India, various initiatives have been taken by the government from time to time for entrepreneurship development in the country. However, literature reveals that entrepreneurs face a number of problems which obstruct the growth of entrepreneurship. To meet these challenges, a need was felt by government to initiate a new set of policy reforms in India which has led to a remarkable improvement in recent years. Therefore, an attempt has been made to study the implications of the recent policy reforms of entrepreneurship in India which has made India

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a hotspot destination for start-ups. The study found that most of these recent reforms are focusing on skills development measures giving birth to technology enabled start-ups. Hence, it is suggested that a proper supervision and monitoring mechanism should be set to analyze the outcome and effectiveness of these initiatives on periodic basis and entrepreneurship development at grass root level should be targeted so as to provide self-employment opportunities to technology-deficient section of the society.

Keywords: – Entrepreneurship Development, Self-employment, Start-ups, Skill Development.

Introduction:-Entrepreneurship plays a significant role in the economic development of a country. **Entrepreneurship** is the process of designing, launching, and running a new business which is often initially a small business offering a product, process, or service for sale or hire. The people who create these businesses are called **entrepreneurs**. Entrepreneurship has been described as the "capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to make a profit. The developed countries like USA, Russia and Japan supports the fact that entrepreneurship is the cause for the economic development in their country. Entrepreneurship is the most powerful weapon in the hands of one to fight against poverty and unemployment. It is widely accepted by every, big or small country, that well motivated entrepreneurs are must for accelerating the process of economic development. Entrepreneurship acts as a catalyst for the economic prosperity of a nation as it leads to generation of employment, contribution in national income, rural development, industrialization, technological development, export promotion etc.

Entrepreneurship Scenario in India:-In India, entrepreneurship can prove as one stop solution for addressing the major problems like unemployment and poverty. Considering these benefits, various initiatives have been taken by the government from time to time for entrepreneurship development in the country such as Industrial Policies and Five Year Plans specifically focusing on the growth of small scale sector, setting up of Special Economic Zones (SEZs), setting up of Entrepreneurship Institutions, organizing Entrepreneurship Development Programmes (EDPs) and various Government Programmes and Schemes for the promotion of entrepreneurship like Pradhan Mantri Employment Generation Programme, Credit Guarantee Scheme, Credit Linked Capital

Subsidy Scheme for Technology Up-gradation, National Manufacturing Competitiveness Programme, Micro and Small Enterprises Cluster Development Programme, Technology Centre Systems Programme, Rajiv Gandhi Udyami Mitra Yojana, Khadi Reform Development Programme, Market Development Assistance Scheme etc.

In spite of several initiatives taken by the government, entrepreneurs still face certain problems like lack of availability of finance, technical knowledge, managerial skills, availability of resources and infrastructure, awareness about entrepreneurship schemes and regulatory framework, market linkage etc. which obstruct the growth and development of entrepreneurship in the country. According to the research study conducted by NCAER (1993), lack of training and finance are the major problems faced by Small Scale Industries (SSIs) besides procedural hassles, administrative hurdles, lack of infrastructure and counseling.

To meet these challenges, a need was felt by government to initiate a new set of policy reforms in India which has led to a remarkable improvement in recent years. India has evolved to become the 3rd largest base of technology startups in the world.

Government & Recent Policy:-The Government of India has undertaken several initiatives and instituted policy measures to foster a culture of innovation and entrepreneurship in the country. Job creation is a foremost challenge facing India. With a significant and unique demographic advantage, India, however, has immense potential to innovate, raise entrepreneurs and create jobs for the benefit of the nation and the world.

In the recent years, wide spectrums of new programs and opportunities to nurture innovation have been created by the Government of India across a number of sectors. From engaging with academia, industry, investors, small and big entrepreneurs, non-governmental organizations to the most underserved sections of society.

Recognizing the importance of women entrepreneurship and economic participation in enabling the country's growth and prosperity, Government of India has ensured that all policy initiatives are geared towards enabling equal opportunity for women.

A few of India's efforts at promoting entrepreneurship and innovation are:

Startup India: Through the Startup India initiative, Government of India promotes entrepreneurship by mentoring, nurturing and facilitating startups

throughout their life cycle. Since its launch in January 2016, the initiative has successfully given a head start to numerous aspiring entrepreneurs. With a 360 degree approach to enable startups, the initiative provides a comprehensive four-week free online learning program, has set up research parks, incubators and startup centers across the country by creating a strong network of academia and industry bodies.

Make in India: Designed to transform India into a global design and manufacturing hub, the Make in India initiative was launched in September 2014. It came as a powerful call to India's citizens and business leaders, and an invitation to potential partners and investors around the world to overhaul out-dated processes and policies, and centralize information about opportunities in India's manufacturing sector. This has led to renewed confidence in India's capabilities among potential partners abroad, business community within the country and citizens at large.

Atal Innovation Mission (AIM): AIM is the Government of India's endeavour to promote a culture of innovation and entrepreneurship, and it serves as a platform for promotion of world-class Innovation Hubs, Grand Challenges, start-up businesses and other self-employment activities, particularly in technology driven areas. In order to foster curiosity, creativity and imagination right at the school, AIM recently launched Atal Tinkering Labs (ATL) across India. ATLs are workspaces where students can work with tools and equipment to gain hands-on training in the concepts of STEM (Science, Technology, Engineering and Math).

Support to Training and Employment Programme for Women (STEP): STEP was launched by the Government of India's Ministry of Women and Child Development to train women with no access to formal skill training facilities, especially in rural India. The Ministry of Skill Development & Entrepreneurship and NITI Aayog recently redrafted the Guidelines of the 30-year-old initiative to adapt to present-day needs. The initiative reaches out to all Indian women above 16 years of age. The programme imparts skills in several sectors such as agriculture, horticulture, food processing, handlooms, traditional crafts like embroidery, travel and tourism, hospitality, computer and IT services.

Jan Dhan- Aadhaar- Mobile (JAM): JAM, for the first time, is a technological intervention that enables direct transfer of subsidies to intended beneficiaries and, therefore, eliminates all intermediaries and leakages in the system, which has a potential impact on the lives of

millions of Indian citizens. Besides serving as a vital check on corruption, JAM provides for accounts to all underserved regions, in order to make banking services accessible down to the last mile.

Digital India: The Digital India initiative was launched to modernize the Indian economy to make all government services available electronically. The initiative aims to transform India into a digitally-empowered society and knowledge economy with universal access to goods and services. Given historically poor internet penetration, this initiative aims to make available high-speed internet down to the grassroots.

Biotechnology Industry Research Assistance

Council (BIRAC): BIRAC is a not-for-profit Public-Sector Enterprise, set up by Department of Biotechnology to strengthen and empower emerging biotechnology enterprises. It aims to embed strategic research and innovation in all biotech enterprises, and bridge the existing gaps between industry and academia. The ultimate goal is to develop high-quality, yet affordable, products with the use of cutting edge technologies. BIRAC has initiated partnerships with several national and global partners for building capacities of the Indian biotech industry, particularly start-ups and SME's, and has facilitated several rapid developments in medical technology.

Department of Science and Technology (DST): The DST comprises several arms that work across the spectrum on all major projects that require scientific and technological intervention. The Technology Interventions for Disabled and Elderly, for instance, provides technological solutions to address challenges and improve quality of life of the elderly in India through the application of science and technology. On the other hand, the *ASEAN-India Science, Technology and Innovation* Cooperation works to narrow the development gap and enhance connectivity between the ASEAN countries.

Stand-Up India: Launched in 2015, Stand-Up India seeks to leverage institutional credit for the benefit of India's underprivileged. It aims to enable economic participation of, and share the benefits of India's growth, among women entrepreneurs, Scheduled Castes and Scheduled Tribes. Towards this end, at least one woman and one individual from the SC or ST communities are granted loans between Rs. 1 million to Rs. 10 million to set up Greenfield enterprises in manufacturing, services or the trading sector.

Trade related Entrepreneurship Assistance and Development

(TREAD): To address the critical issues of access to credit among India's underprivileged women, the TREAD programme enables credit availability to interested women through non-governmental organizations (NGOs). As such, women can receive support of registered NGOs in both accessing loan facilities, and receiving counselling and training opportunities to kick-start proposed enterprises, in order to provide pathways for women to take up non-farm activities.

Pradhan Mantri Kaushal Vikas Yojana (PMKVY): A flagship initiative of the Ministry of Skill Development & Entrepreneurship (MSDE), this is a Skill Certification initiative that aims to train youth in industry-relevant skills to enhance opportunities for livelihood creation and employability. Individuals with prior learning experience or skills are also assessed and certified as a Recognition of Prior Learning. Training and Assessment fees are entirely borne by the Government under this program.

National Skill Development Mission: Launched in July 2015, the mission aims to build synergies across sectors and States in skilled industries and initiatives. With a vision to build a 'Skilled India' it is designed to expedite decision-making across sectors to provide skills at scale, without compromising on quality or speed. The seven sub-missions proposed in the initial phase to guide the mission's skilling efforts across India are: (i) Institutional Training (ii) Infrastructure (iii) Convergence (iv) Trainers (v) Overseas Employment (vi) Sustainable Livelihoods (vii) Leveraging Public Infrastructure.

Science for Equity Empowerment and Development (SEED): SEED aims to provide opportunities to motivated scientists and field level workers to undertake action-oriented, location specific projects for socio-economic gain, particularly in rural areas. Efforts have been made to associate national labs and other specialist S&T institutions with innovations at the grassroots to enable access to inputs from experts, quality infrastructure. SEED emphasizes equity in development, so that the benefits of technological accrue to a vast section of the population, particularly the disadvantaged.

Conclusion:-The recent policy reforms clearly reveal that government is leveraging on skill development for ensuring sustainable entrepreneurship development in the country. However, a proper supervision and monitoring mechanism should be set to analyze the

outcome of these initiatives on periodic basis and to avoid the overlapping of activities performed by the newly established government agencies and programmes.

According to survey undertaken by Local Circles, 59 percent of citizens still feel that corruption and delays prevent the growth of entrepreneurship in India while only 14 percent felt funding as the main problem. Thus, the effectiveness of the recent policy reforms needs to be checked by analyzing the benefits entailed by the entrepreneurs on regular basis to ensure that these initiatives deliver maximum results unlikely the previous reforms. According to Economic Survey 2015-16, start-up sector is witnessing unusual dynamism with focus mainly on ecommerce and financial services sector which led to huge growth of technology enabled start-ups in the year 2015. Therefore, the 'Start-up India' mission of government should go beyond digital or technology start-ups and enable entrepreneurship in manufacturing sector to ally with Make in-India drive and particularly at grass root level so as to provide self-employment opportunities to technology deficient section of the society.

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