

A STUDY ABOUT ENTREPRENEURSHIP IN INDIA

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Abstract

Entrepreneurship plays a significant role in the economic development of any country. Entrepreneurship acts as a pillar 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. In India, various initiatives have been taken by the

government from time to time for entrepreneurship development in the country. The main purpose of this paper is to study about Entrepreneurship in India and its Promotion Under 'STARTUP INDIA' SCHEME. This study was done based on secondary data collected from multiple sources of evidence, in addition to books, journals, websites, and newspaper.

Key Words: Entrepreneurship, Startup, Entrepreneur, Innovation, Development and Promotion.

I. INTRODUCTION

According to A.H. Cole, "Entrepreneurship is the purposeful activity of an individual or a group of associated individual, undertaken to initiate, maintain or organize a profit-oriented business unit for the production or distribution of economic good-sand services". There are three main conceptual approaches to entrepreneurship. The first approach is functional which is concerned with the dynamic actor that makes key decisions on investment, production, innovation, location, research and development. From this perspective, entrepreneurship is a psychological trait referring to dynamism, creativity and originality

The second approach focuses on the firm as the key economic factor. The firms included here are own operated firms, incorporated joint stock companies, state owned joint venture firms and subsidiaries of multinationals

The third approach focuses on owner operated enterprises. Within this approach the entrepreneur is the owner and is actively involved in running the business. Entrepreneurship in India is still dominated by small enterprises. They account for over 95per cent of establishments and 80per cent of employment in the manufacturing sector.

II. ENTREPRENEURSHIP IN INDIA:

AGLOBAL PERSPECTIVE

Entrepreneurship is vital for job creation, economic growth and problem-solving. It also reflects a society's capacity for boldness, risk-taking and creativity. More specifically, according to the Global Entrepreneurship Development Institute (GEDI), there is a strong positive association between entrepreneurship, economic growth and innovation.

How does India fare in entrepreneurship?

India's performance is important given the priority of the "start-up India" initiatives and the crucial role of entrepreneurship in generating jobs in a stagnant Indian labor market.

Some other challenges and influences:

Interestingly, India also faces some acute challenges in terms of networking and cultural support. India does not perform at the same standard as a number of other countries do in terms of how well entrepreneurs know and connect with each other to share ideas, technical know-how, market connections and to undertake joint activities. Cultural support is also a key weakness in the Indian set up.

Lastly, surprising is the fact that India does not perform well on the availability of risk capital, despite the various measures that have been put in place under the "start-up India" initiatives. Thus, acritical challenge remains for the entrepreneurial sector in ensuring that the appropriate amount and type of capital is available in an entrepreneurial lifecycle, whenever needed.

The future approach:

In order to increase its GEDI index ranking significantly, India needs to pay more attention to the skills required for entrepreneurship including staff, training, labor market flexibility in terms of being able to hire the right people with the right skills at the right time, and the entrepreneurs' level of education. There is also a need for improving the capacity of the education system in providing high-quality support including a greater focus on entrepreneurship courses.

III. GROWTH OF ENTREPRENEURSHIP IN INDIA

Today, India has become fertile ground for breeding new entrepreneurs. Present markets are liquid, vibrant and as the recent economic factors has shown, much more stable as compared to markets of other countries. It is well established that education is a prime factor which contributes to the development of entrepreneurship. Access to technology, increase in foreign direct investments and other de-regulation policies are throwing up new opportunities every day. Capital can be organized. In important aspects of entrepreneurship in India is social entrepreneurship. In India, where high levels of poverty and unemployment still exist, many people have decided to take matters into their own hands, with or without the help of government, to work for a better tomorrow.

IV CHALLENGES FACED BY INDIAN ENTREPRENEURS BEFORE STARTING UP

- ❖ **Courage to start your own business:** Starting your own venture is not an easy task. You need a lot of courage and strength to quit your job and start your own business. One needs to be determined and confident towards his/her goals. You need to convince yourself that there is a need of such product in the market and you are the best person to build it.
- ❖ **Is your idea big enough:** Idea is the most important challenge which every entrepreneur faces? What are you planning to go for? What type of business you are going to deal in? Who are your target audiences? Is your Idea really worth giving a chance? These are few questions that would come up in your mind and you need to find answers for them.
- ❖ **Raising Capital:** Money is another biggest challenge faced by an entrepreneur. Now you have to decide when, how and from whom you are going to raise the

required capital. At times, people need to bootstrap their startup for a longer period of time.

- ❖ **Effective marketing on limited budget:** Being a start-up it's very essential to create visibility among your consumers. You need to reach your target audiences by using effective marketing techniques.
- ❖ **Facing Failure:** It's not necessary that every idea of yours will work. With launching of new products and scaling new markets comes the notion of "failing fast". If you retrying a lot of new things, not everything will work and you will not succeed at each of those ideas.

V. GOVERNMENT OF INDIA SUPPORT FOR INNOVATION AND ENTREPRENEURSHIP IN INDIA

In India, various initiatives have been taken by the government from time to time for entrepreneurship development in the country. Entrepreneurship has attracted the attention of policymakers in India. A series of high-level initiatives, including Startup India, have been launched to promote private sector development. However, the role of entrepreneurship in development remains a mystery for many policy observers.

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

A. 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. At the core of the initiative is the effort to build an ecosystem in which startups can innovate and excel without any barriers, through such mechanisms as online recognition of startups, Startup India Learning Programme, Facilitated Patent filing, Easy Compliance Norms, Relaxed Procurement Norms, incubator support, innovation focused programme for students, funding support, tax benefits and addressing of regulatory issues.

B. 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

outdated 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. The plan behind Make in India was one of the largest undertaken in recent history.

- C. 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.
- D. 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. This program aims to improve citizen participation in the digital and financial space, make India's cyberspace safer and more secure, and improve ease of doing business.
- E. 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 counseling and training opportunities to kick-start proposed enterprises, in order to provide pathways for women to take up non-farm activities.
- F. 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.

VI. FINDINGS OF THE STUDY

- Entrepreneurship in India is still dominated by small enterprises.
- According to GEDI, India is ranked 68th out of 137 countries, a “middling” performance.
- As per the Asia Pacific region, India is again in the middle position, 14th out of 28 countries.
- India’s strongest performance falls under the criterion of product innovation where its score is equal to the best in the world.
- India’s weaker areas, where it scores below the overall score, are in start-up skills, networks and cultural support, technology absorption (by far the weakest), high growth and risk capital availability.
- The Government of India has undertaken several initiatives and instituted policy measures to foster a culture of innovation and entrepreneurship in the country.
- Through the Startup India initiative, Government of India promotes entrepreneurship by mentoring, nurturing and facilitating startups throughout their life cycle.

VII. CONCLUSION

In India, the past few decades have seen a major rise in the area of Entrepreneurship. Today, India has become fertile ground for breeding new entrepreneurs. An important aspect of entrepreneurship in India is social entrepreneurship. There is a greater recognition that social enterprises could have a role in solving social issues.

What we need to do is to create an environment where entrepreneurs feel confident that they will not face any obstacles if they develop business models for the benefit of the poor. In India, various initiatives have been taken by the government from time to time for entrepreneurship development in the country. Entrepreneurship has attracted the attention of policymakers in India. A series of high-level initiatives, including Startup India, have been launched to promote private sector development.

However, the role of entrepreneurship in development remains a mystery for many policy observers.

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