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Development Of Entrepreneurship In India: Challenges And Possibilities

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Abstract

Development of entrepreneurship is a modern and complex concept. It is the primary requirement for the development of any country. In the context of a developing country like India, development of entrepreneurship is a new concept. Various important problems of a developing country like unbalanced regional development, centralization of economic power, minimum productivity, unemployment, unprofitable investment, inefficient production, lack of industrial education and training etc. can be resolved only through entrepreneurship development programs. This is the reason why today the government of every country, especially the government of a developed country like India, is giving top priority to entrepreneurship development programs. The Government of India and the State Government are running various schemes and programs for the development of entrepreneurship. They are providing various types of inspiration and facilities and are creating various organizations and institutions for this work.

Keywords:- Entrepreneurship, Entrepreneurs, Economic Growth, Development, Programme

Introduction

In the words of Higgins B., "Entrepreneurship is meant for the function of seeing investment and production opportunity organizing in enterprise to undertake a new production process raising capital, hiring labour, arranging the supply of raw material, finding site, introducing a new technique and commodities, discovering new sources of raw materials and selecting top managers for day to day operation of the enterprise". Today, the development of entrepreneurship has become the need and responsibility of every nation. In a developing country, the development of entrepreneurship is a new concept, but it is only possible to develop adventurous tendencies and abilities through planned efforts. Many important problems of developing countries such as unemployment, unbalanced regional development, centralization of economic power, minimum productivity and unprofitable investment etc. can be resolved only through the development of entrepreneurship. This is the reason why today the government of every country is paying maximum attention to the development of entrepreneurs. For the development of entrepreneurship, the government is running many schemes and programs. It is providing inspiration and facilities and is creating organizations in many institutions. Entrepreneurship is not only the process of starting and running a business, but it is also a mindset that encourages new ideas, innovation, and creativity. It is an approach that sees problems as opportunities and strives to change the world. Entrepreneurship has a profound impact on the economy and society. It drives job creation, increases competition, and fosters the development of new markets and industries.

Objectives of the Study

- To develop the small and medium enterprise sector.
- To increase the supply of Entrepreneurs for industrial development.
- To industrialize rural and backward regions.
- Creating new businesses and create employment opportunities.
- Entrepreneurial ecosystems create economic resilience, enabling economies to adapt to changing global conditions.
- Encouraging the development of new technologies and industries through research, funding and policy.
- Prevent monopolies and encourage competition, which can benefit consumers and small businesses.
- Non-refundable financing for startups and innovative projects.
- Initiatives to promote entrepreneurship in specific geographic areas.
- Programs for women, minorities and other disadvantaged entrepreneurs.
- To focus on entrepreneurship development programmes and research.

Review of literature

Entrepreneurship will bring us the future. It will shape the new millennium- Marc J.Dollinger observed that “As we begin the new millennium, the ideas, talents, skills and knowledge that promote Entrepreneurship are evident in young people all around the world. This is the change from previous times when the force for economic creativity tended to favour the older and more established businessperson. The face of world economy has shifted, however, and the young of today seem especially well suited for Entrepreneurial activity. The spirit of Entrepreneurship the notion of human progress, development, achievement, and change – motivates and energizes people.”

- ANIRVAN BENERJI(jan 2012) A study was conducted to business cycles that measure the ups and downs that economy in term of the absolute levels of the coincident indicators, i.e. indicators that gauge current economic activity. However , in the decades that followed the end of world war, II many economies like Japan and Germany saw long period of rapid revival form wartime devastation, so that classical business cycle recession seemed to have lost their relevance.
- Brijesh Patel1 (2013) The study was conducted on who should be capable of making use of the government policies and schemes for the betterment of rural people? Some individuals who happen to be local leaders and NGOs and who are committed to the cause of the rural people have been catalytic agents for development. Though their efforts need to be recognized yet muchmore needs to be done to reverse the direction of movement of people, i.e. to attract people in the rural areas. It means not only stopping the outflow of rural people but also attracting them back from the towns and cities where they had migrated. This is possible when young people consider rural areas as places of opportunities. Despite all the inadequacies in rural areas one should assess their strengths and build on them to make rural areas places of opportunities.
- Dr. R. Gopal (2014) The study was conducted on innovative entrepreneurship for a successful turnaround in hospitality business .The restaurant business is one or the few industries which presents an opportunity where you can start as a dishwasher and dream of owning your own restaurant – and actually realize that dream. But it takes dedication and a willingness to work long and hard to accomplish your dream. One needs to keep thinking of new ideas and innovate if one needs to survive. Innovative Entrepreneurship is by far the most important tool in the hands of an entrepreneur to bring about successful turnaround in the hospitality business. Innovative ideas and ongoing innovation is what will facilitate entrepreneurs to bring about successful turnaround in ailing businesses. Hence

referred to as the Key DNA for successful turnaround in the hospitality sector. Use Unique selling proposition technique.

Role of Government in Organizing Entrepreneurial Development Programme

The Government of India has established many institutions to organize and develop entrepreneurship development programs. These institutions provide training to entrepreneurs, business advice, financial assistance, impart technical knowledge, organize seminars, conduct entrepreneurship development programs, encourage research and innovation, provide market information and other types of assistance. These institutions have played an important role in organizing industrial development and entrepreneurship development programs in India. The major institutions among these are as follows.

- **Pradhan Mantri Mudra Yojana:-**This scheme provides loans to small businesses and entrepreneurs without any guarantee.
- **Pradhan Mantri Employment Generation Programme (PMEGP):-**This program helps youth in rural and urban areas to set up self-employment.
- **Startup India:-**This initiative has been launched to promote startups in the country and aid their growth.
- **Schemes for Micro, Small and Medium Enterprises (MSME) Sector:-** The government runs several schemes to promote the MSME sector, such as Entrepreneurship and Skill Development Programme (ESDP), and Micro and Small Enterprises Cluster Development Programme (MSE-CDP).
- **Atal Innovation Mission (AIM):-** This mission has been launched to promote a culture of innovation and entrepreneurship in the country.
- **Promoting Women Entrepreneurship:-**The government is also taking several initiatives to encourage and support women entrepreneurs.
- **Stand Up India (SUPI):-** The scheme aims to provide loan amount ranging between Rs. 10 lakh and Rs. 1 crore from Scheduled Commercial Banks (SCBs) to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and one woman borrower per bank branch for setting up greenfield enterprises in manufacturing, service or trading sector including agriculture allied activities. Under both the schemes, potential borrowers can avail loans for trade, agriculture related activities and new business. According to Para 32 of Union Budget 2025-26, "A new scheme will be launched for 5 lakh first-time entrepreneurs from women, Scheduled Castes and Scheduled Tribes. It will provide term loans up to Rs 2.00 crore over the next 5 years. The scheme will incorporate lessons from the successful Stand Up India scheme. Online capacity building for entrepreneurship and managerial skills will also be conducted."
- **SIDBI Make in India Soft Loan Fund for MSMEs (SMILE):-** Launched in the year 2015, SMILE is operated by Small Industries Development Bank of India (SIDBI). The scheme aims to provide soft loans to meet the required loan-equity ratio for setting up new MSMEs and for growth of existing ones. The applicable interest rate under the scheme is 8.36%.
- **Credit Guarantee Scheme (CGS):-** The Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme was launched by the government to strengthen and facilitate the loan delivery system to the MSME sector. Public, private and foreign banks as well as Regional Rural Banks (RRBs) and SBI along with their associate banks are among the lending institutions under this scheme.

Apart from these schemes, the government is also taking several other measures to empower entrepreneurs by providing financial assistance, training, and guidance.

- **Entrepreneurship and Skill Development Programme (ESDP):-**This program provides youth with the skills and knowledge required for entrepreneurship.

- Micro and Small Enterprises Cluster Development Programme (MSE-CDP):-This program helps MSMEs enhance their competitiveness through cluster-based development.

Entrepreneurial Development Programmers: Problems/challenges

- Competition in the market:- Entering a market dominated by established businesses with loyal customers and substantial resources can be intimidating. Competitors often have the advantage of brand recognition, economies of scale, and strong marketing budgets, which can cause price fluctuations and limit your profitability. The pressure to constantly innovate also takes a toll on your resources.
- Business scaling:-As your business grows, maintaining consistent product and service quality becomes challenging. Rapid growth may overstretch resources and infrastructure, causing operational inefficiencies or financial instability.
- Regulatory Challenges:-Complying with required licenses, permits, and laws is complex, especially when regulations differ across regions. Non-compliance risks fines, legal issues, and business closure.
- Lack of entrepreneurial spirit:- Most of the youth in India who are attracted towards entrepreneurship development programmes lack business interest, technical ability, risk taking capacity, industrial spirit, creative instinct etc. due to which entrepreneurs cannot develop properly.
- Unsatisfactory infrastructure facilities:- lack of proper transport and communication facilities reduced mobility and cause delay in the follow of information shortest of hand and industrial workshops, in irregular power and water supply, deficiency system for disposal of industrial waste lake of road warehouse are other in first structure problems.
- Financial Constraints:-Starting or growing a business requires capital, and getting a loan or raising funds can be a big challenge, especially for those with no track record or collateral.
- Skills shortages:-The skills needed for entrepreneurship, such as financial management, marketing, and sales, are not naturally present in all individuals, and must be learned.
- Technological challenges:-New businesses often need to use the latest technologies and equipment, and gaining access to these or learning how to use them can be a challenge.

Suggestions for Rapid Development of Entrepreneurship in India

- The industrial potential of each region should be explored and based on the information in the data obtained, 'Perspective Industrial Maps' of the region should be prepared.
- A system for identifying entrepreneurs should be developed in backward areas
- The education system should be made employment and courage oriented.
- The number of technical and vocational education centers should be increase
- Proper arrangements for training and motivation should be made for entrepreneurs.
- Various self-employment schemes should be widely published and publicized.
- New entrepreneurs should be given information about the incentives and facilities being provided by the government and various institutions.
- The tax structure should be made entrepreneur-friendly.
- Programme for the development of entrepreneurs should make the functioning of the central coordinating agency effective.
- A special promotion scheme should be implemented for the development of rural and small entrepreneurs.

- Bureaucratic tendencies should be kept away from government departments, financial institutions and other related organizations and the government machinery should be made efficient.
- Economic policies should be improved from time to time.
- Infrastructure should be developed by creating industrial settlements in backward area.
- Research projects related to entrepreneurship should be encouraged. Also, the achievements of entrepreneurs should be publicized.
- The structure and composition of EDPs need to be streamlined. The regional variation must be removed.

Conclusion

Entrepreneurship development is prerequisite for overall economic development of any country. The growth of nation depend upon the skilled entrepreneurs. But supply of entrepreneurial talent depends upon the business and interesting climate country Prevailing in the country. EDP is a tool of industrialization and path to economy growth. The trained entrepreneurs can initiate change in the structure of business and industry. It increases new investment and bring innovations. All these activities in turn stimulate economic growth. The entrepreneurial class speeds up the process of activating the factors of production to ensure higher rate of economic growth. The institution which is conducting entrepreneurship development programs should have comprehensive knowledge of the objectives and goals of entrepreneurship development programs. Only then will it be able to run its work smoothly. There can be various types of objectives in this regard. Such as increasing production, increasing means of employment, preparing capable and competent entrepreneurs, doing research in the field of entrepreneurship development, etc.

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