



AN INTENSE APPROACH OF CENTRAL BUDGET APROPOS ENTREPRENEURSHIP IN INDIA

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Abstract:

India is the second largest country in the world in terms of population with a large potential of job opportunity in India. India is facing scarcity of job opportunities which results in growth in unemployment among young graduates. Entrepreneurship is one of the important segments of economic growth hence the government of India has constantly taken a lot of initiatives through the Union Budget. This research paper has intention to know about an intense approach of union budget apropos entrepreneurship in India. Secondary data were collected from web sources, research articles and journals. It is concluded that a lot of initiatives in terms of grants, tax subsidy, entrepreneurship promotion schemes and subsidized facilities announced and taken by government of India to undisturbed support and financial aids to promote entrepreneurship in India.

Keywords: Union Budget, Government approach, Entrepreneurship

Introduction:

The concept of entrepreneurship comes from the French verb “Entreprendre” means to “undertake”. Entrepreneurship consists of involving creation, innovations and financing, business activities in an effort to obtain growth in market share. Entrepreneur is a person who is willing to take risks and develops a business in a global market with his innovative and creative thinking. India is a country of potential human resources hence it is needed to create millions of business and employment opportunities to attain desired outcomes of the nation economy. Today, an entrepreneurial driven economy is most sought by any economy as it drives innovation in the manufacturing of goods and services leading to the availability of goods at lower costs making them more affordable (Agarwal S. and Ankur, 2016)¹. Union Budget is a yearly statement of government finances which consist of Government of India's revenue and expenditure

for one fiscal year. It is an estimation of the revenue and expenses over a particular year. The Government of India has realized the importance of entrepreneurial activity hence in the union budget of the country consist various initiatives to foster entrepreneurship in India.

Review of Literature:

Omid Sharifi and Bentolhoda Karbalaei Hossain (2015), Entrepreneurs in India face formidable technological and financial hurdles at the outset. Economic downturns exacerbate this issue, making investors and banks hesitant to provide essential capital. Additionally, technological advancements raise the bar for entrepreneurs, requiring extensive groundwork before pitching to investors. The trend of smaller initial investments further complicates fundraising. While self-initiative among students is on the rise, navigating these challenges demands resilience and strategic planning for entrepreneurial success in India.

N. Santhiand S. Rajesh Kumar (2011), Entrepreneurs embody resourcefulness, passion, and risk-taking, comfortable pioneering and facing criticism. True entrepreneurs conceive, organize ventures, and navigate risks, though not all independent businesspeople meet this criterion. Levels of entrepreneurial intensity vary based on independence, leadership, and innovation. Entrepreneurship contributes substantially to economic growth, bridging innovation and market realization, beyond job creation, enhancing national income.

Juneja S. and Banerjee P. (2022), The data underscores the critical role of entrepreneurship in driving financial development and individual fulfillment, particularly in developing countries like India. Moreover, the COVID-19 pandemic has created a new normal, presenting unique opportunities for the next generation of Indian entrepreneurs. It is crucial for policymakers to understand these dynamics and support entrepreneurial ventures, as they have the potential to not only drive economic growth but also bring about positive social change.

Garg A. (2016), the Indian market has seen a surge in startups, providing hope for aspiring entrepreneurs. Previously hindered by funding issues, the influx of mega funding over the past decade has alleviated this challenge, leading to a proliferation of startups. Investors are keen on early-stage involvement, reflecting a growing trend. Ultimately, startups in India are poised for growth, necessitating further research to understand their ideas, limitations, and challenges for sustained development.

Agarwal S. and Ankur (2016), Entrepreneurship plays a pivotal role in driving economic development, particularly in India, where it is catalyzing innovations across sectors like Education, IT, and Health Care. Startups have introduced innovative solutions, contributing significantly to the country's economic growth. A focus on entrepreneurship-driven economies promotes innovation, lowers production costs, and reduces import dependency, strengthening the national economy.

Objective of the Study:

- ✓ To study about the growth and prospects of Entrepreneurship in India
- ✓ Identifying the various initiatives taken by government of India for Entrepreneurship

Research Methodology:

Research methodology for this research work includes data collection tools, data collection duration and types of data to explore new insights from research data. This research work is mainly based on the Primary data and secondary data. Primary data are collected by unstructured interview schedule and observation of market trends. Secondary data are collected from various websites, journals, and newspaper articles.

Initiatives for Energizing Entrepreneurship:

- **Boost Women Entrepreneurship:** The government of India established industrial hubs for enhancing the entrepreneurs from the scheduled caste and scheduled tribe. The government of India also intended to boost women entrepreneurship in India for economic growth and gender equality. These initiatives are taken through encouraging women entrepreneurs to enter in the non-traditional sectors, promoting gender diversity in leadership and providing networking opportunities.
- **Business Education:** Business education in India plays an energetic role in modeling future entrepreneurs. Management institutes offer different programs focusing on fostering values of entrepreneurship. An academic curriculum highlights practical skills, industry exposure, and global outlooks to prepare future entrepreneurs.
- **E-System of Company Incorporation & Compliance:** Nowadays company registration is much simpler than the previous system. Recently the government has provided a one window electronic system of company registration which is providing a more suitable and hassle-free registration process. It is featured with saving time, money and efforts of the entrepreneurs in terms of the company registration process.
- **Rural skill development scheme:** Rural skill development scheme in India aims to empower rural youth by providing training in various vocational skills to enhance employability opportunities and ability to generate employment. This scheme is implemented through government initiatives and partnerships with private organizations to promote entrepreneurship and fosters inclusive development in rural areas.
- **Infrastructure Financing:** Technology, infrastructure and communication media has more scope to provide basic necessities with new approaches with the rising needs of the society. Infrastructure

Financing focuses on providing innovative financial mechanisms to enhance financial supply to entrepreneurship in India through public-private partnerships, foreign investment and government initiatives.

- **Entrepreneurship Leadership:** In India a perfect entrepreneurship environment will provide know-how about loans, infrastructure and taxation policy to new business aspirants. Entrepreneurial leadership in India combines innovation, vision, and flexibility to drive business success. Entrepreneurial leadership is fostering creativity and empowering team spirits, new business models and various ways to utilizing domestic resources in an efficient manner. Entrepreneurial leadership navigates business challenges, adapt to market dynamics, and inspire change to economic growth.
- **Introduction of GST:** Introduction of goods and service tax in India is one of the best initiatives to boost entrepreneurship because it will reduce documentation, cost of transportation and taxation. It has simplified document and financial compliance procedures, reducing hurdles for startups and small businesses. It encourages formalization of the economy, fostering transparency and accountability in the taxation system.
- **Pradhan Mantri Mudra Yojana:** The Pradhan Mantri Mudra Yojana is a leading scheme initiated by the Central Government to provide financial support to promote entrepreneurship, particularly among women. Under this scheme, loans are extended through Micro Units Development and Refinance Agency to non-corporate, non-farm small and micro businesses. It aims to encourage job creation and promote economic empowerment at the grassroots level.
- **Simply Taxation Policy:** Before this initiative, entrepreneurs need to pay various taxes for the startups of the business hence with the start of business, entrepreneurs suffer financial burden. But recent union budgets have particular relaxation in taxation policy for entrepreneurs. Simplifying taxation policies can certainly boost entrepreneurship in India. It is able to reduce financial burdens and compliance costs for startups and small businesses. Moreover, lower tax rates or incentives for startups can motivate entrepreneurial activity, attracting more individuals to venture into business and develop new business models to earn prospective revenues.
- **Skill India Campaign:** The skill India initiative taken by the government to boost entrepreneurship by providing skill atmosphere and imparted training to youth and utilizing domestic resources from the rural areas of the country. The Skill India campaign aims to empower youth and aspirants by enhancing their employability and entrepreneurial skills. The skill India initiative implemented through Pradhan Mantri Kaushal Vikas Yojana and National Skill Development Corporation and Skill India campaign.

- **Tax Freedom to New Entrepreneurship:** New initiatives in the Union Budget for entrepreneurship including 100% tax exemption for three years to business involving innovation development. By implementing tax holidays or reduced tax rates for startups and small businesses, the government has to boost entrepreneurial activity, job creation, economic development, business expansion, research and development, create innovation and competitiveness.
- **Valuable Revenue Enhancement:** The growing entrepreneurship in to the nation have promises significant revenue generation for both central and state governments. It will catalyse standard of living and employment opportunities. Entrepreneurial activities unleash the entrepreneurial spirit and offer to governments for unlock the full potential of economies.

Conclusion:

In the Union budget much needed initiatives are taken by the government of India to develop entrepreneurship in India. The rising entrepreneurship environment, supportive government structure, availability of various fund schemes, simple taxation policy, special funding to women entrepreneurship, business education facilities will promote small, medium and large entrepreneurship quality in youth of India. Skill India Campaign, Pradhan Mantri Mudra Yojana, Startup India and Atmanirbhar Bharat Abhiyan enhance ease of doing business send a positive signal to entrepreneurs. These efforts of the central government not only boost economic growth but also address social obligations such as employment generation, poverty reduction and inclusive development of the nation.

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