

A STUDY OF AN IMPACT OF GOVERNMENT POLICIES ON ENTREPRENEURSHIP DEVELOPMENT

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ABSTRACT

The challenge for government policy is to develop policies that work, but avoid the temptation to try to effect change via direct intervention. Enterprise development is the first approaches tends to focus on trying to growth the total number business start-up programs, venture capital financing and investment in innovation. It seeks to recognize entrepreneurs networks and a way to foster the enlargement of such networks on the local, countrywide and worldwide level. The maximum essential element is the strategic motive of the group going for walks the business. Firms looking for to develop want to take delivery of assist in linking up with customers, providers and other environment who can offer resources. Government ministers can play a essential position in fostering organisation and innovation. Their position is to direct the authorities departments and corporations to recognition at the hassle and increase powerful policies.

Keywords: Entrepreneur, Entrepreneurship, Government, Scheme

Objective

To study entrepreneurship development and economic growth.

To study Govt. policy and entrepreneurship development.

Introduction

An Entrepreneur is an person who effectively operate human resources, capital, machinery handling and providing services. The word Entrepreneur derived from the French 'entreprendre which actually method, 'to undertake' –shows the minimal traits of an entrepreneur. Entrepreneurship is the dynamic manner of making incremental wealth. The wealth is created via way of means of people who anticipate the essential dangers in phrases of equity, time and/or profession dedication or offer cost for a few service or product. The service or product may also or might not be new or unique, however cost should in some way be infused via way of means of the entrepreneur via way of means of receiving and finding the important capabilities and assets effectively and effectively. Entrepreneurship is as a result taken into consideration because the manner of making some thing new with cost via way of means of devoting the important time and effort, assuming the accompanying financial, psychic, and social dangers, and

receiving the ensuing rewards of financial and private pleasure and independence that includes it.

Definition - "This defines entrepreneur and entrepreneurship - the entrepreneur always searches for change, responds to it, and exploits it as an opportunity."

---Peter F. Drucker

According to **Schumpeter**, an entrepreneur is a person who is willing and able to convert a new idea or invention into a successful innovation.

Need of entrepreneurs

Every entrepreneur brings approximately advantages now no longer best for himself/herself however for the society. The advantages that may be derived from entrepreneurial skills are to discover new markets In economics, markets are those who are willing & capable of fulfill their desires is known as powerful demand. Entrepreneurs create clients or consumers due to the fact they're resourceful. Discover New Sources of Materials Due to the progressive nature of Entrepreneurs, they persist on coming across new reasserts of substances to in prove their enterprises. Mobilize Capital Resources Capital sources are money. However, in economics, capital sources constitute

machines, buildings & different bodily effective sources. Entrepreneurs have initiative and self-assurance in gathering & assembling capital sources for his or her enterprise. Introduce New innovations. Aside from being innovators & affordable risk-takers, marketers take benefit of enterprise opportunities. Within a year there are new technologies & merchandise to fulfill human desires to create employment. The largest organization is the nonpublic sector. Millions of jobs are furnished through factories, Service industries, agricultural enterprises and small scale businesses.

Government Policy

Govt. Policies for Entrepreneurs Keeping in view the contribution of small scale commercial enterprise in imparting employment to the prevailing generation improvement of the country as well. Advertising media of exports and numerous guidelines are coming as a thrust which are focused. On in the direction of establishing, selling and growing small commercial enterprise sector, specifically the agricultural industries and the cottage and village industries in backward areas. Central and State Government are actively taking part in self-employment possibilities with the aid of using imparting help in recognize of infrastructure, finance, technology, education, and marketing. Govt. policy helps small industries, cottage and village industries, and rural artisans the usage of credit score and non-credit score approaches. It additionally gives counseling and consultancy offerings and organizes numerous education and improvement applications for rural entrepreneurs. The Ministry of Small Scale Industries designs and implements the rules via its area agencies for the promoting and increase of small scale industries. The Ministry additionally plays the functions of coverage advocacy on behalf of small scale industries (SSI) zone with other Ministries/Departments as follows –

1. Small Industries Development Organisation (SIDO)
2. The National Small Industries Corporation Limited (NSIC)
3. National Institute for Small Industry Extension Training (NISIET)

4. The Indian Institute of Entrepreneurship (IIE)
 5. Small Industries Development Bank of India (SIDBI)
 6. The Khadi and Village Industries Commission (KVIC)
 7. National Bank for Agriculture and Rural Development (NABARD)
- Small Industries Development Bank of India (SIDBI) Set up as an apex financial institution to offer direct/oblique monetary help beneath special schemes, to fulfill credit score wishes of small marketers or commercial enterprise organizations. To coordinate the features of different establishments in comparable sports The National Commission for Enterprises within the Unorganized Sector (NCEUS) The NCEUS become constituted in Sep. 2004, with the subsequent objectives :
1. To endorse measures needful for enhancing the productiveness of small establishments within the casual sector.
 2. To decorate the competitiveness of the arena within the rising worldwide surroundings. To generate greater employment possibilities on a sustainable basis, specially within the rural areas.
 3. Potential for public-non-public partnerships in presenting the talents required via way of means of the casual sector. Provisions of micro-finance and associated offerings to the casual sector.
- Rural and Women Entrepreneurship Development (RWED) The Rural and Women Entrepreneurship development applications goals at selling appropriate commercial enterprise surroundings and to inspire and aid the entrepreneurial projects of humans and specifically, girls,
- World Association for Small and Medium Enterprises (WASME) is the best International Non-Governmental Organization of micro, small and medium businesses primarily based totally in India, which connection an International Committee for Rural Industrialization. Its goal is to increase an gesture plan version for sustained and non-stop boom of rural businesses.

Schemes of NSIC

- i. Single Point Registration Scheme
- ii. Credit Facilitation through Bank Tie-up
- iii. Raw Material Assistance & Credit

MSME Policy

Various investors were advocating a MSME Policy for India. As consistent with the fourth Census of MSMEs the Report for which became posted in 2012, the full range of MSMEs in India are 3.6 crores using over eight crore people. It is the second one biggest business enterprise after agriculture. It additionally debts for 45 % of general business production, 40% of general exports and contributes very considerably to the GDP. Manufacturing segment inside the MSME contributes to 7.09% of GDP. MSMEs additionally make a contribution to 30.50%.

The MSMEs of India will be the cradle for the "Make in India" vision. This will be the nursery wherein small current agencies have the ability to come to be global beaters tomorrow. The large gamers among the MSME area are also in a particular role to come to be international gamers attracting companions with era and funds. The Policy framework ought to inspire this. It can even assist creating employment.

Any MSME Policy for India have to do not forget the numerous Ministries which include Ministry of Commerce and Industry, Ministry of Textiles, Department of Electronics and Information Technology, Ministry of Food Processing Industries, Ministry of Heavy Industries and Public Enterprises, Department of Pharmaceuticals etc., and the Regulatory Ministries which include Ministry of Corporate Affairs and Ministry of Finance.

The first objective of this Policy thus must be not only to encourage establishment and growth, but also, emphasize on growth.

The major elements of the Policy have to be the following:- I) Start-up Regime Framework: More than 15 lakh university college students are passing out as Engineering graduates, MBA

and Polytechnic but a very few only, challenge into establishing their very very own enterprise. There is a need to encourage entrepreneurship in India via imparting a suitable eco tool for start ups for creating device for start ups for creating new companies every in Manufacturing and Service Sector.

Factors for Start-up Regime Framework -

What are the factors which ought to consist to permit a younger engineer to begin his / her production business enterprise, or, a provider business enterprise which can grow?

The Regulatory Organization Framework:

The Regulatory Regime framework is required, however, ought to now no longer grow to be a crippling regime to deter growth. It ought to additionally have automatic approval primarily based totally on a strong IT lower back bone. Having stated so, what ought to be the factors in a Regulatory Regime?

The Subsidy Organization Framework:

The Subsidy Regime Framework can be required for terribly small players of say much less than Rs. five crores of turnover. The subsidy can be on a sliding scale and of a various nature. Thus for a begin-up regime, he might also additionally be required a subsidy which includes being supplied via way of means of Prime Minister's Employment Generation Programme (PMEGP) being run via way of means of the Ministry of MSME. An business enterprise with much less than Rs.1 crore of turnover might also additionally require subsidies to discover new markets however an business enterprise with much less than Rs.five crore of turnover might also additionally require subsidies for rapid modernization.

Knowledge & Innovation Framework

Indian Institute of Science (IISc) and Council of Scientific and Industrial Research (CSIR) are global magnificence establishments who've performed route breaking studies in numerous areas. Ministry of MSME has already taken steps to liberate this expertise base and make it to be had for the industry. The Indian Institute of Science has indicated as a primary tranche,

195 initiatives wherein the studies is almost entire and which may be commercialized. Similarly, CSIR has indicated 642 merchandise which it has involved which may be in no time productized due to the fact the entire process, including IP rights is available with CSIR.

National Small Industries Corporation (NSIC) Schemes-

1. Raw Material Assistance –

The scheme goals at supporting MSEs with the aid of using manner of financing the acquisition of uncooked cloth (each indigenous & imported). This offers an possibility to MSEs to cognize higher on production fine products. Nature of help – Financial help for procurement of uncooked cloth as much as ninety days. MSEs helped to avail economics of purchases like bulk purchase, cash discount, etc. All the procedures, documentation & difficulty of letter of credit score in case of imports taken care of.

Eligibility - Registered MSMEs.

How to use Entrepreneurs can observe via the prescribed utility paperwork at the side of considered necessary charge to regional & department places of work of NSIC.

For details are available on NSIC website.

2. Solitary Point Registration –

The authorities is the unmarried biggest purchaser of a sort of goods. With a view to growing the proportion of purchases from MSEs, the Government Stores Purchase Programme changed into launched. NSIC registers MSEs below Single Point Registration Scheme (SPRS), are eligible for participation in Government purchases.

Nature of help The gadgets registered are eligible to get the benefits indexed below: – Issue of gentle units freed from cost. Exemption from price of Earnest Money Deposit (EMD) – Tender collaborating MSEs quoting charge inside the charge band of L1+15% allowed to deliver a component as much as 20% of requirement via way of means of bringing down their charge to L1 charge where L1 is non-MSEs. Every Central Ministry/Department/PSU shall set an annual purpose of minimal 20% of overall annual purchases of merchandise or offerings produced or rendered via way of means of

MSEs; out of the necessary 20% procurement from MSEs, 4% is earmarked for gadgets owned via way of means of Schedule Castes/Schedule Tribes. In addition to the above, 358 objects also reserved for different buy from MSE sector.

Eligibility - MSEs which can be registered with the Director of Industries (DI)/District Industries Centre (DIC) as manufacturing/provider enterprises having acknowledgement of Entrepreneurs Memorandum (EM Part-II) are eligible for registration with NSIC under its SPRS.

Entrepreneurs can apply either on-line on website www.nsicsonline.com or on written application form to zonal/branch office of NSIC.

3. Infomediary Services

Under this scheme provide information on business, technology and finance and also exhibit core competencies of Indian SMEs. Scheme is offering services through its MSME Global Mart www.msmemart.com; which is a Business to Business (B2B) and Business to Customer (B2C) compliant web portal. Annual membership available under services.

For more details visit the website www.msmemart.com.

Eligibility – Entrepreneurs

Entrepreneurs can download the application form from NSIC website.

4. Promotion Intelligence Services Lease –

Marketing Intelligence Cell acquires and analyses facts for each the present and potential customers, to apprehend the market, determine cutting-edge and destiny wishes and preferences, attitudes and behavior of market; and to evaluate adjustments in commercial enterprise surroundings which can have an effect on the dimensions and nature of the market.

The facts includes: Database of bulk customers (product-wise), customers in Government/public sector undertakings.

Database of price contracts of various Marketing Intelligence Cell acquires and analyses facts for each the present and potential customers, to apprehend the market, determine cutting-edge and destiny wishes and preferences, attitudes and behavior of market; and to evaluate adjustments in commercial

enterprise surroundings which can have an effect on the dimensions and nature of the market.

Nature of scheme - Online request form: MSMEs willing to avail any marketing Intelligence services of NSIC may fill the form for: 1) Bulk buyers in Government/Public & Private sectors 2) Exporters 3) International buyers 4) Technology suppliers 5). Units registered with NSIC under Single Point Registration Schemes 6) DGS & D registered suppliers.

Eligibility - Potential beneficiaries would be MSMEs seeking business collaboration and co-production opportunities, joint ventures, exporters and importers, and those looking for technology transfer.

Application can send on email or in the office address.

5. IT Incubator

The scheme is invented for developing sustainable entrepreneurship improvement with inside the place of ICT particularly amongst first technology entrepreneurs, nurturing the modern thoughts in to commercially possible enterprise propositions, encouraging commercialization of R&D outputs into industrial ventures.

Nature of scheme – Space is ready with adequate facilities like access to software library and computer hardware facility. Training and counseling facilities also available.

Eligibility – An individual who would like to become an entrepreneur or an enterprises.

Groups of researchers of nearby Universities can apply.

Applications can send to Project Manager - NSIC TBI-Okhla, NTSC Premises.

Review of Literature

Entrepreneurship performs an eminent feature in developing an road for employability for rural communities, presenting self-employment for the ones who have started-up a enterprise in their personal and improving the monetary reputed of the rural zone as well. Entrepreneurship has converted many marketers into a hit enterprise humans and generated earnings for rural communities.

Entrepreneurs in rural vicinity have converted their location into buying and selling hubs thus permitting them to come to be urbanized areas. Conducting a literature evaluate is a important thing of the studies process. Familiarity with the preceding studies and idea withinside the vicinity of the examine could assist in conceptualizing the problem, accomplishing the examine and interpreting the findings. The literature research which have been carried out screen the effect of entrepreneurial sports in India in addition to different countries. During the literature evaluate, it's far observed that the term entrepreneurship has been utilized in different senses with the aid of using researchers from India and different countries. This bankruptcy will be overlaying the ancient activities and the studies on entrepreneurial development

Entrepreneurship at nineteenth and twentieth century In the overdue nineteenth and early twentieth centuries, marketers have been regularly now no longer prominent from managers and have been regarded on the whole from an monetary perspective. Richard T. Ely and Ralph H. Hes, in short stated: The entrepreneur organizes and operates an corporation for private gain. He will pay modern expenses for the substances ate up withinside the business, for the usage of the land, for the private offerings he employs, and for the capital he requires. He contributes his personal initiative, skill, and ingenuity in planning, organizing, and administering the corporation. He additionally assumes the hazard of loss and gain consequent to unexpected and uncontrollable circumstances. The internet residue of the once a year receipts of the corporation in spite of everything prices were paid, he keeps for himself. (Richard T. Ely and Ralph H. Hes1937)

Joseph Schumpeter's vision on entrepreneurs – The feature of the entrepreneur is to reform or revolutionise the sample of manufacturing through exploiting an invention or, extra generally, an untried technological approach of manufacturing a brand new commodity or generating an vintage one in new way, beginning a brand new supply of deliver of substances or a brand new outlet for products.

Carland and Carland (2004) studied the impact of entrepreneurship on employment and economic development of United States. They placed that businesses with lots much less than twenty employees have quality impact for the final decade of 1990's. They suggested that the employer has outstanding functionality for future economic development. Also, economic insurance modifications should be in particular to boost entrepreneurship.

Sharma K. L. (2018) in his book *Entrepreneurial Performance in Role Perspective* investigated the rising example of growth of entrepreneurs, their performance and problems. He has explained that In contradiction of the foundation of government support with different structures, entrepreneurs and their problems for sincere consideration, for the supported monetary growth of Indian society. The exam turned into directed to address a few hypothetical and methodological troubles concerned approximately the research of the entrepreneurial process of similarity and to toss mild on a few linked elements of entrepreneurial increase withinside the territory of Uttar Pradesh. The research uncovered the absence of response of marketers to the workplaces made on hand with the aid of using the government. One may also get a kick out of the danger to analyze its reasons, which is probably diagnosed because the insufficiency of marketers, the missing phrases and states of the workplaces, the ineffectualness of the rules giving the workplaces, and the inefficiency of the employees hired in that.

Sharma K.L. (2018). *Entrepreneurial performance in the role perspective*. New Delhi: Abhinav Publications

Linda C. Mayoux (2017) - The function of the entrepreneur is to reform or revolutionise the pattern of producing thru exploiting an invention or, more generally, an untried technological method of producing a contemporary commodity or producing an antique one in new way, starting a contemporary deliver of supply of materials or a contemporary outlet.

Prasad and Rao (2018) - Financial basis of girls entrepreneurship-A contextual evaluation of

Andhra Pradesh' locating the accompanying reality: (1) First generation marketers are much less a hit (2) Units installation through the marketers earlier than marriage are much less a hit (3) Units superior through marketers after marriage and having grown up youngsters are progressing nicely (4) Units superior through in truth taught are an increasing number of a hit and non-specialised but advised are likewise a hit (5) Electronic, brick making and different specialised/mechanical gadgets aren't a lot a hit (6) Fabrics, domestic merchandise and different related gadgets are a hit (7) ask for the fame and involvement in a comparable line are vital elements for the fulfillment of the unit.(8) loan, top class sponsorships and advertising workplaces presented through the agencies are lacking.

Uma SN and Ramesh HN (2018) in their have a look at have mentioned that rising marketers are just like new child babies. They can't stand on their very own feet. Hence, at the least withinside the preliminary levels in their enterprise necessary assist can be prolonged through the Government for his or her survival and sustainability. Thus, each State and Central Government.

Research Methodology

Sample and Data Collection The survey of this study is conducted on 100 entrepreneurs.

Researcher tries to covered a widespread range of entrepreneurial activities reaching from small scale industry.

Convenience Sampling technique was used to select the respondents, after which they were then stratified into the five entrepreneurship phase identified in the extant literature.

This survey comprises entrepreneurs who are using Govt. Policy.

Conclusions & Suggestions

Entrepreneurship play a totally important and important function with inside the improvement of the economic system of the country as that is the important thing contributor to innovativeness and product improvement. It is one of the critical elements to the advent of recent employments and with

inside the constructing of groups in methods of providing them jobs. Governments need to increase regulations with the intention to enhance entrepreneurship with the aid of using knowledge the important variations current among small commercial enterprise proprietors and entrepreneurship. At the identical time, a false impression approximately marketers and in which marketers may be discovered also can

assist the area people to create the proper photograph of entrepreneurship and for that reason end up competitive and make a contribution to monetary improvement. The continual criticism of small scale devices of being subjected to a massive variety of Acts and Laws, being required to keep some of registers.

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