

# Netaji Subhash Engineering College



Name: Raima Majumder

University Roll No.: 29242723028

Topic: Role of Entrepreneurship in Indian economy

Subject: Entrepreneurship

Paper Code: MIM502

Stream: Bachelors of Computer Application

Year: 3<sup>rd</sup>

Semester: 5<sup>th</sup>

Session: 2025-2026

## ***Introduction to Entrepreneurship***

Entrepreneurship plays a vital role in shaping the economic landscape of any country, and India is no exception. With one of the largest youth populations in the world, India has immense potential to harness entrepreneurial talent to drive economic growth, job creation, innovation, and social development.

In recent years, the Indian government has recognized this potential and taken proactive steps to build a robust entrepreneurial ecosystem. Through various schemes, policies, and support programs, it aims to empower individuals to turn their ideas into successful ventures, contributing to the vision of a self-reliant and globally competitive India.

This presentation explores the significance of entrepreneurship in the Indian economy and highlights key government initiatives that are fostering a culture of innovation and enterprise.

# **Importance of Entrepreneurship in India**

## **1. Economic Growth Driver**

- Entrepreneurs introduce new products, services, and technologies.
- Boosts GDP and expands the formal economy.

## **2. Employment Generation**

- Startups and MSMEs (Micro, Small & Medium Enterprises) are labor-intensive.
- They create jobs across urban, semi-urban, and rural areas.

## **3. Promotes Regional Development**

- Encourages growth beyond major cities (e.g., Tier 2 & Tier 3 cities).
- Bridges urban-rural divide by promoting local entrepreneurship.

## **4. Fosters Innovation & Competition**

- Entrepreneurs solve real-world problems with creative solutions.
- Encourages R&D and tech-based solutions across sectors.

## **5. Encourages Self-Reliance**

- Empowers youth to create their own ventures instead of seeking jobs.
- Reduces brain drain by providing opportunities within India.

## **Contribution to the Indian Economy**

### **1. Employment Generation**

- Entrepreneurship, especially in the **MSME (Micro, Small, and Medium Enterprises)** and **startup** sectors, is one of the largest sources of employment in India.
- As of 2024, **over 11 crore (110 million)** people are employed in the MSME sector.

### **2. GDP Contribution**

- The **MSME sector alone contributes around 30%** to India's Gross Domestic Product (GDP).
- As startups scale and formalize, they significantly add to national income and tax revenues.

### **3. Boosting Exports**

- Entrepreneurs play a critical role in India's export ecosystem.
- MSMEs contribute **about 48% of India's total exports**, especially in textiles, handicrafts, engineering goods, and IT services.

### **4. Strengthening the Startup Ecosystem**

- India has emerged as the **3rd largest startup ecosystem** in the world, after the US and China.
- As of 2024, there are **over 1,00,000 DPIIT-recognized startups** across sectors like fintech, edtech, healthtech, agritech, and clean energy.

## **Government Initiatives to Promote Entrepreneurship**

### **1. Startup India (2016)**

Tax benefits, easier compliance, funding support (₹10,000 crore Fund of Funds), and DPIIT recognition.

### **2. Atal Innovation Mission (AIM)**

Promotes innovation via **Atal Tinkering Labs** in schools and **incubators** for startups.

### **3. MUDRA Yojana**

Collateral-free loans (up to ₹10 lakh) for small businesses under Shishu, Kishor, and Tarun categories.

### **4. Stand-Up India**

Provides loans to **SC/ST and women entrepreneurs** to start new businesses (₹10 lakh to ₹1 crore).

### **5. Make in India**

Supports startups in manufacturing and key sectors, improving ease of doing business.

### **6. Skill India Mission / PMKVY**

Offers **entrepreneurial and vocational training** to develop skilled manpower for self-employment.

### **7. Digital India**

Promotes **digital infrastructure**, helping tech-based startups and enabling easier access to government services.

## **Conclusion**

Entrepreneurship is vital for the growth of the Indian economy. It creates jobs, introduces new ideas, and fosters development in both cities and villages. The Government of India has launched several helpful programs like Startup India, MUDRA Yojana, and Skill India to encourage people to start their own businesses. These initiatives make it easier for individuals, especially women and youth, to become self-sufficient and successful. With ongoing support and the right environment, entrepreneurship can help India grow stronger, become more independent, and compete on a global scale.

**Thank You!**