SOCIAL ENTERPRISE AND ENTREPRENEURSHIP: LESSON LEARNT FROM PANDEMIC CRISIS

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DoI: 10.23862/kiit-parikalpana/2021/v17/i1/209030

1.0 INTRODUCTION

World Bank initially coined the concept of ease of doing business by eradicating the problems related to start up business but due to complexities of different countries business policies, permission systems, anti-dumping duties, it is not easy to start the business, particularly women entrepreneurship may be illiteracy, feeding monopolies, & zombies in developed, developing countries. This is primary hurdle faced by every illiterate woman in host countries before pandemic, promoting socialism for the rich, capitalism for the rest of world. It is easy to understand for every human beings, we are in the middle of pandemic that has crushed employment, micro business, but amazingly stock market are soaring which is not right, as current Indian trend shows that Showed elephant are flying, As a citizen, I always worried watching elephants fly, perhaps seems to face drastic consequences in Indian business scenario. The reason is our skilled human resources is around 48.7 Crores, but out of this population 93% share in manufacturing sector belongs to unorganized sector.

It is interestingly pointed out during pandemic scenario, Indian Government is not having data’s of unorganized sectors who migrated & How many laborers returned to their work from home state, or secured employment from parent contractor, or organization. The government also showed ignorance may be due to contractors, employers are not giving information to Ministry of labor, cause of corruption, exploitation, rather forced them remain as bonded labors. The reasons cited by state, central government that so far policies not framed for unorganized skilled women woven craftsmen, weavers, embroiders, toy makers etc.

The history of trading showed that doing business in India was difficult from Europe before discovery of sea routes during 15th century. Under current economical water transport, Indian government liberalized flexible policies for boosting exports, encountering dragon model, encouragement to individual women entrepreneurs belongs to unorganized sector through ease of doing business with close coordination of respective State Government as a ray of hope of
generating more employment after Post Covid-19 pandemic counter measures in central India region

1.1 NEED FOR IMPLEMENTING EASE OF DOING BUSINESS

In order to revive Indian Economy & boost Indian Exports, Post Covid-19, by exploring & honing the skills of unorganized sectors from vocal to global emergence through e-Markets. The Indian Government can implement some of the provisions in FDI & FII as compare to top global countries which gives better facilities for foreign investors. Simultaneously central & state governments too exploring traditional skills which eradicates during British colonial rule under current existing trends, Karnataka became first in India to identify skills or talent.

What Indian Craftsmen need is skill diversification, Market linkages & women youth engagement, by forming first toy clusters in India. Recently Chief Minister Shivraj Singh Chauhan called in Rewa, Madhya Pradesh, the second largest state in India, does not having lacking of skills or talent under self-reliant M.P., by forwarding rural authentic crafts, toys after conducting field survey of traditional toy manufacturing units. Realizing the potential for new segment for traditional zardozi work in Bhopal, skilled unorganized women youth sparsely distributed in the state along with consultancy support from IIM Indore & MPAVN for a period of 3 years along with other high potential engineering clusters, Health care, Heavy Engineering, food processing, water treatment plants etc. leads to innovative start up for unemployed youth from 224 Engineering Colleges, 114 Polytechnic, 415 ITI’s, 135 Skill Development centers (SDC) along with Vocational Development centers make perfect place for startup hubs like Detroit in USA. So in order to encounter Chinese toy competition Indian government succeeded in creating congenial atmosphere for preserving art, culture of skilled Wo(man) unorganized crafts Wo(man) ecosystem EXIM Policy 2020-2025 to nurture & promote start up culture within the Madhya Pradesh state.

1.2 OBJECTIVE OF COMPLIANCE OF EASE OF DOING BUSINESS

- To strengthen the unorganized women startup culture by providing E-markets with close coordination from FIEO, World Bank, IMF Etc.
- To nurture unemployed technical high educate youths by motivating them through innovate ideas and EOI under public private partnership mode (PPP).
- To promote enhance export of toys, handicrafts and apparels opportunity of unskilled women unorganized through incubation centers along the other clusters.
- To enhance employment & revival of Indian economy through making in India program.
- To align India and development of Socio- Economic environmental by trading across borders along
with current incubation centers in the demographic regions.

1.3 FUNDING SUPPORT OPTIONS: SEED FUNDING SCHEME FOR START UP`S

The Government has approved `The start up India Seed fund (SISF`s) for new registered start up`s with a grant of INR 945 Crores. This is a basic need for illiterate women to start up`s a venture with special focus to seed funding through state and central government policies. The funds will be disbursed through selected incubators across India from base year 2021 till 2025 initially. The National seed fund was first announced in union budget 2020-21.

1.4 STARTUP-HAND HOLDING WITH RESPECTIVE DEMOGRAPHIC STATE GOVERNMENT

(a) The eligible start up should not have received more than 10 Lakhs of monetary support under central or start Government Scheme.

(b) The eligible share holding Indian promoters in the startup should be minimum 51% at the time of application submission for the incubator under the scheme.

(c) The incubator must also have a full time Chief Executive Officer (CEO)

1.5 NODAL AGENCIES

For all registered MSME`S falls under the respective state, concerned District Industries Centre (DIC) act as nodal agency to promote organizational ecosystem along with registered unorganized women crafted entrepreneurs.

2.0 VISION FOR EASE OF DOING BUSINESS

• To establish, India as preferred destination for FDI & FII by providing an conducive ecosystem
• To support MSME`S Entrepreneurial culture in the South Asia Pacific Region Mission
• To align all Indian states with the `Self-Reliant India, Flagship Initiative of the Government of India
• To develop a sustainable ecosystem of innovation, Research & Development, Manufacturing in the Central India region.
• To eradicate and minimizing corruption for granting permission through single window Scheme within 30 days for new start up.

3.0 (A) STRATEGIES FOR INNOVATIVE INCUBATION NETWORK

• The Individual state Government would foster on constructing Incubation centers with in Engineering Colleges, Management Institutes & Professional Colleges fall across selected state to provide innovative ideas along with plug and innovative road map facilities to young entrepreneurs, budding
students.

- These incubation centers transform into innovative networks to build a collaborative platform among Host institutes/Incubators which can be used to learn the best practices in order to understand the requirements of startups/entrepreneurs.

- The Network shall also provide a platform to identify National/International mentors from institutes or corporate industries.

- The incubation network shall play a vital role in providing handholding to startup’s in funding support assistance in legal compliance & regulatory support from respective state Government.

3.0 (B) VENTURE CAPITALIST NETWORK / CALIPHS INVESTORS

- The identification & selection of an caliphs investors/Venture capitalist plays a crucial role in the journey of any new start up.

- It bridges the gap between start up and their initial stage required capital support.

- It helps in building sustainable eco-system within demographic region.

3.1 POLICIES FOR EASE OF DOING BUSINESS (AVAILABILITY OF INCUBATION FACILITY)

- Ease in approvals & Registrations-A single window clearance.

- Single window service should be establish in order to give clearance to recognized 41,061 start up’s as on December 2020, along with flexible labor laws & reforms like E-land records, in a demographic region.

3.2 INCENTIVES TO START UP’S & EXISTING ENTREPRENEURS

According to MSME Act 2020, for availing incentives the incubators fall under state demographic region, eligible to register under MSME-UAN, irrespective of rural, urban, semi urban landscape etc.

3.2.1 INTEREST SUBSIDY

Eligible new start up’s shall be provided with extended tax holiday for a period of 3 years on the rate of interest paid on loans obtained from Nationalized banks/financial institutions subjected to the maximum limit of INR 25 lakhs per year linked to turnover per year.

3.2.2 LEASE RENTAL SUBSIDY

Reimbursement of 25% lease rental subsidy to start up’s units established in the state operating from incubators shall be eligible for a period of 3 years subject to a ceiling of 5 lakhs per year from the date of rent payment to incubator.

3.2.3 PATENT/QUALITY PROMOTION SUBSIDY

Reimbursement for patent & quality certification per unit up to a limit of INR
5 lakhs for Domestic and INR 25 lakhs for International Quality Certification after securing Certification from country’s Certification Boards.

3.2.4 START UP MARKETING ASSISTANCE

Under membership of Engineering and Exports Promotion council (EEPC), Federation of exports organization (FIEO), eligible start up’s for participation in national & International Trade fairs & conferences anywhere in the globe.

4.0 EASE OF DOING POLICY APPLICABILITY

The state incubation & start up policy shall be applicable to mentioned below thrust areas as per 2021-2022 new policies.

- E-Commerce Marketing, Digital Marketing
- Textile, Space Technology, Information Technology & Other Allied Areas
- Healthcare, Pharmaceuticals, Agriculture-Processing, Food Processing
- Green Energy, Water Treatment, Wastage Recycling
- Education, Social, & Rural Entrepreneurship
- Any Other Innovative Ideas Process Approved By State Level Steering Committee

5.0 CONCLUSION

Under post COVID-19 Scenario, the Government of India has been providing a counter guarantee to the lenders bank, in order to encourage start up’s. The Government of India has lot of policies for upcoming investors in the Indian market, but care should be taken while integrating new clusters like toy, pottery industries, as they are falling under the unorganized sectors comprising 4000 very micro scale industries. So Ministry of Commerce & industry should impose strict quality control procedures in order to encounter imports which is mainly from China, Hong Kong, Malaysia etc. Our Prime minister had said that India has lot of talent & ability to became a health hub, education hub, toy, manufacturing hub etc for the entire world the major barrier in compliance of implementation of policies is corruption but appears to be good for foreign investors like Amazon, Tesla etc. In nut shell, in order to encounter corruption, online approval should encourage with special reference to unorganized crafted, hand made jardozí, manual crafted woven fabrics art, women illiterate entrepreneurs. This is because self reliant entrepreneurs liberalization policies is new to India. From our past experiences of 72 years, past government policies are not good for foreign investors. The Indian business eco-systems has not fully developed. The micro industries does
not fully conceptualize the technical venture, which is a burning problem for our country economy as compared to countries like New Zealand, Singapore, Norway Denmark etc as per latest report issued by world bank on ease of doing business in the world

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