

1. Entrepreneurship development

Entrepreneurship development refers to the process of strengthening entrepreneurs' skills and expertise via various training and classroom programs.

2. Entrepreneurship

Entrepreneurship is defined as a systematic, purposeful, and creative activity of identifying a need, mobilizing resources, and organizing production with the goal of providing value to customers, returns to investors, and profits for the self while accounting for the risks and uncertainties associated with business.

(i) Characteristics of entrepreneurship

1. Systematic activity
2. Lawful and purposeful activity
3. Related to innovation
4. organized production
5. Risk-taking

(ii) Need for Entrepreneurship

1. Contribution to GDP.
2. Capital Formation
3. Job Creation
4. Creation of business opportunities for others.
5. Increased economic efficiency.
6. Expanding the Spectrum and Scope of Economic Activities
7. The Impact on Local Communities

3. Startup

A startup is a fresh business that tries to create a viable solution to a market demand or problem.

Ways to Fund Start-ups

1. Boot Strapping
2. Crowdfunding
3. Angel Investments
4. Venture Capital
5. Business incubators and accelerators.
6. Microfinance and NFBCS.

4. Intellectual property

Intellectual property rights are the broad term for the transfer of property rights via patents, copyrights, and trademarks.

5. Small Scale Enterprise under the MSMED Act of 2006: Classification of Manufacturing and Service Enterprises

- (i) **A Micro Enterprise** is defined as an industry with an annual revenue of less than 5 crore and an investment in plant and machinery or equipment of less than 1 crore.
- (ii) **A Small Enterprise** is defined as an industry with an annual revenue of less than 50 crores and an investment in plant and machinery or equipment of more than 1 crore but not exceeding 10 crore.
- (iii) **A Medium Enterprise** is defined as an industry with an annual revenue of less than ₹ 250 crores and an investment in plant and machinery or equipment of more than 10 crores but not exceeding 50 crores.

Some More Categories of Small Businesses: Small business units in India can be classified into the following groups based on their investment in plant and machinery:

- (a) **Village Industries:** Any industry located in a rural location that produces goods or provides services with or without the use of power and has a fixed capital investment per head, artisan, or worker as determined by the central government from time to time.
- (b) **Cottage enterprises:** These enterprises are not characterized by capital investment. They are arranged by individuals with private funds.

Features of Small Business

1. Personal character
2. Labour-intensive
3. Low Capital Investment
4. Local Operations Area
5. Make quick decisions.
6. Short gestation period.

6. Administrative structure on small scales:

The Indian government established the following ministries to encourage and grow small scale industries:

1. Ministry of Micro, Small, and Medium Enterprise
2. Ministry of Agricultural and Rural Industries

7. The role of small businesses in India

1. Contributes to industrialisation and exports.
2. Employment generation
3. Diverse product offerings
4. Promotes balanced regional development.
5. Developing Entrepreneurship
6. Low Production Costs
7. Make quick decisions.
8. Suitable for Customized Production.
9. Personal Contact

8. The role of small businesses in rural India

1. Job Opportunities
2. inhibits migration to urban regions
3. Enhances economic condition.
4. Rural Development.

9. Problems in Small Business

1. Shortage of funds
2. Shortage of raw materials
3. Insufficient managerial skills
4. Incompetent labor
5. Marketing issues
6. Low-quality products
7. Unused capacity
8. Outdated technology
9. Sickness
10. Global Competition.

10. Institutional Support: The Indian government has established the following institutions for the benefit of small-scale industries:

1. National Small Industry Corporation (NSIC)
2. District Industrial Centers (DICs)

Some More Institutional Support

1. The National Bank for Agriculture and Rural Development (NABARD)
2. The Rural Small Business Development Center (RSBDC).
3. The Small Industries Development Bank of India (SIDBI)
4. National Commission for Enterprises in the Unorganised Sector (NCEUS)
5. Rural and Women's Entrepreneurship Development (RWED)
6. World Association of Small and Medium Enterprises (WASME).
7. Scheme for Fund Regeneration of Traditional Industries (SFURTI)

11. Incentives for Businesses in Rural, Backward, and Hilly Regions: Industries in backward, tribal, and hilly areas might benefit from several incentives, including:

1. Concessional charges for land, power, and water
2. Tax exemption for five to ten years.
3. No Octroi

4. Preferential allocation of limited raw commodities.
5. Loans with concessional interest rates
6. Establishment of industrial estates in underdeveloped regions.

