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### 3% OF VENTURES SHUT SHOP DUE TO CORONA: SURVEY

## 'Entrepreneurial activities out of Covid shadow, but fear of failure still high'

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**Ahmedabad:** The latest Global Entrepreneurship Monitoring (GEM) report covering 47 countries for 2021-22 – carried out by EDII for India – indicated that compared to the last year's sharp nosedive in entrepreneurial activities, this year saw a rise – almost matching pre-Covid levels of entrepreneurial activities numbers.

The survey indicated that among BRICS countries, India saw the highest number of entrepreneurial willingness, but also the highest fear of failure. The 'scarce jobs' remains the top reason for the entrepreneurs to enter into the star-

#### GEM REPORT 2021-22

tups/new businesses. The survey indicated that 2.8% blamed Covid for closure of startups.

Dr Sunil Shukla, director general of Entrepreneurship Development Institute of India (EDII), said that there are several encouraging indicators including improved perception about starting a new business, good opportunities, confidence in knowledge and experience, and entrepreneurial intention. Along with Dr Shukla, Pankaj Bharati and Amit Kumar Dwivedi, faculties from EDII, prepared the India component for the global report.

"The Covid period also brought in opportunities for entrepreneurs. The startup and entrepreneurship is maturing in the country with improved women participation," said Dr Shukla.

Dr Bharti said that along with adult population survey, the report also took into consideration expert survey to understand the way forward. "The experts have stressed on introducing entrepreneurship at an early age and awareness about possible avenues. With improved sentiments, In-



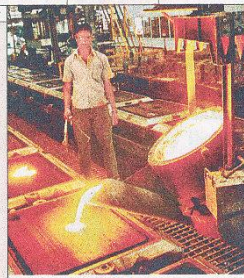
#### INDIA AMONG BRICS COUNTRIES

Parameter	Brazil	India	Russia	South Africa
Good opportunities	55	83	33	58
Ease to start business	42	32	32	68
Fear of failing	45	54	48	53
Knowledge, skill for biz	67	86	34	70
Business intention	53	18	10	20

China did not participate in the survey

#### POPULAR SECTORS TO START A NEW BUSINESS

- 71.3%** Consumer oriented services (hotels, restaurants, retails, personal services)
- 18.8%** Transformative sector (transport, manufacturing)
- 8.2%** Extractive sector (oil, gas, agriculture)
- 1.7%** Business oriented services (communication, professional services)



#### MAJOR RECOMMENDATIONS OF THE STUDY:

Access to physical infrastructure, Different performing of MSMEs, Education and training, R&D transfer, Market openness

**91%** of the respondents said that objective for entrepreneurship is to earn living due to scarce jobs

**86%** youths perceived that they have sufficient skills and knowledge to start a business

**83%** perceived a good opportunity to start a business in their area

**63%** knew someone who started a business during the last year

**54%** of the youths reported fear of failure as a major deterrent in starting a new venture

**18%** showed entrepreneurial intention, or starting a new business

**12%** of the female respondents showed entrepreneur activities, close to 16% for male respondents

**8.5%** of the respondents were owners of business

dia's overall outlook is among the top on several parameters," he said.

The results indicated that against business exits of eight establishments, there were 14 new, indicating growth of the business. Majority of the op-

portunities were seen in consumer-oriented services.

Dr Dwivedi said that compared to past surveys, the gap between urban and rural areas is narrowing. He also pointed out that western region of India has continued to do well on

entrepreneurship front. "The surveys also indicated that factors such as work from home, gig economy, and culture of individual success especially in the past couple of years worked in favour of the entrepreneurial intentions," he said.