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'Indian entrepreneurship more resilient now'

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Ahmedabad: The Covid pandemic was a watershed moment for many early and mid-level businesses as the years 2020-21 witnessed shutting down of several units and also, diversification of capital. Two years on, the entrepreneurship sector is more resilient, the latest Global Entrepreneurship Monitor (GEM) report for 2022-23 indicates. The report says Gujarat has fared well on a number of indices.

Three faculty members of Entrepreneurship Development Institute of India (EDII) – Sunil Shukla, Pankaj Bharti, and Amit Kumar Dwivedi – prepared the Indian leg of the report that includes 51 countries. The report was released by South Korean ambassador to India Chang Jae-Bok and Mercy Epao, joint secretary of Government of India's Ministry of MSME, among others at EDII on Tuesday. Dr Sunil Shukla, director general of EDII, said that the heartening trend in the past few years – including post-Covid years – was diversification of sectors and identifying emerging industries. "Initiatives such as VGGS also provide a major platform for the entrepreneurs to under-

stand the flow of capital and major projects that can provide business opportunities," he said, adding that diversity in entrepreneurship was a major plus for India and for Gujarat.

"Among the indices where Gujarat fared well was 'perceived opportunity for starting a business' (90% compared to national average of 75%) and 'perceived capabilities required to start a new business' (94% compared to national average of 78%). In two other indices, the state was nearly at par with the national average – fear of failing and ease to start a new business," said Dwivedi.

The report mentioned that the total entrepreneurial activities (TEA) rate based on sample survey carried across India was 11.5% compared to which, business exit was 6.3%. 'India has a low business exit rate which is similar to Colombia (6.4%) and lower than Brazil (13%). This implies that Indian entrepreneurs are more resilient and persistent in running their businesses despite their difficulties,' mentioned the report. The survey indicated that 67% or two-thirds of entrepreneurship opportunities were perceived in consumer services, followed by 21% in transforming, 7% for extractive and 5% for business services.

MAJOR FINDINGS FROM 2022-23 REPORT

75% of respondents from India perceived a good opportunity to start a business in their area. Among 49 nations, India ranked seventh

78% of young respondents had the confidence and the ability to start a business, the fifth among participating countries

54% of youth said they can't start a business due to fear of failure, the fifth highest among participating nations

20% of respondents showed entrepreneurial intentions, 20th among participating countries

78% of young respondents said starting a business in India is easy, the sixth among participating countries

11.5% rate of total early-stage entrepreneurship (TEA) in India, 24th among participating countries

11.5% share of women's participation in entrepreneurship in India

9% of respondents were engaged in established businesses in India



● Across GEM participating economies, an upward progression is apparent in the overall entrepreneurial environment, rated by national experts and measured by the National Entrepreneurship Context Index (NECI). India went from a score of 5.8 in 2019, ranking sixth among GEM economies, to a score of 6.1 in 2022, ranking fourth

● In its latest ranking, the United Arab Emirates, Saudi Arabia, Taiwan and India are the top four economies in terms of entrepreneurial environment

● The pandemic was a severe but temporary shock to the Indian entrepreneurial environment – all 13 Entrepreneurial Framework Conditions (EFC) scoring parameters were low in 2021, but improved considerably in 2022