

Charting Multidisciplinary and Multi-Institutional Pathways for Inclusive Growth and Global Leadership held on 4th & 5th April, 2025

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## Skill India Mission and Their Impact on Entrepreneurship and Start-up Ecosystem in India

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#### **Abstract**

The Skill India Mission initiated in 2015, has been instrumental in improving employment and promoting entrepreneurship in India. This article analyzes the influence of Skill India Mission on the entrepreneurial and start-up ecosystem, emphasizing its role in skill development, self-employment, and innovation. The mission has enabled sector-specific training, advanced digital and technological empowerment, and bolstered incubation facilities to enhance start-ups. It has facilitated the involvement of rural and smalltown entrepreneurs, thus narrowing the urban-rural gap in the business environment. Moreover, programs such as the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) and the National Apprenticeship Promotion Scheme (NAPS) have equipped budding entrepreneurs with financial awareness, technical competencies, and access to finance resources. Nonetheless, obstacles such as skill-job discrepancies, financial limitations, and scaling concerns endure. The report indicates that although Skill India Mission has substantially enhanced India's start-up ecosystem, additional advancements in mentorship programs, financial assistance, and awareness initiatives are essential for sustainable entrepreneurial development. This report rigorously analyzes the influence of the Skill India Mission on India's entrepreneurial and start-up landscape, emphasizing its contribution to self-employment, innovation, and company sustainability. Skill India Mission has bolstered the start-up culture by offering technical skills, financial literacy, and digital proficiency through initiatives like PMKVY and NAPS. The mission has promoted rural entrepreneurship, fostered women-led firms, and aided start-ups via incubation centers and financial opportunities such as skill-job discrepancies, and restricted financial access, The report finds that although the Skill India Mission has significantly influenced India's start-up ecosystem, a more cohesive strategy involving improved mentorship, financial frameworks, and regulatory measures is crucial for the nation's enduring sustainability and expansion of entrepreneurship.

Key Words: Skill India, Start-up, Entrepreneurship, Self-employment, PMKVY.



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## Introduction

The Skill India Mission is empowered to encourage entrepreneurship and the Startup Ecosystem in India to generate employability in the market and reduce unemployment. Various sectors, such as skilled workers, are in demand in the industry. Therefore, providing vocational training, promoting self-reliance, and enabling access to financial support by the Skill in India Mission has become crucial for the growth of startups across various sectors. The fact that India is placed 68th out of 137 countries by the Global Entrepreneurship Development Institute is a source of tremendous pride for the country. When we take into consideration the performance, this ranking looks to be nothing more than moderate. When, on the other hand, the performance is evaluated according to particular criteria, one is able to gain more profound insights on the phenomenon. There are several areas in which it excels, including product and process innovation, internationalization, opportunity start-up, risk acceptance, opportunity perception, and intense competition in the market. These are the areas in which it performs better than its overall score. In spite of the fact that our population offers us an advantage and that technology is constantly advancing, the government at the highest level is putting up its best efforts to encourage entrepreneurial endeavours in India. Recently, Prime Minister Modi addressed business owners as growth ambassadors of India during the unveiling of the Vikas Niti 2019 program. The dream of India to become an economy worth \$5 trillion by the year 2024 can only be made a reality if, in addition to addressing concerns connected to infrastructure and labor, the topic of hiring the approximately one million young people who enter the workforce every month is given crucial attention. One of the ways in which this essential issue may be effectively addressed is by providing the workforce with vocational skills and encouraging them to start their own businesses. This is one of the various ways that this problem can be solved. Additionally, policymakers are aware of the path that must be taken in order to accomplish this objective, and as a result, they are all prepared to make a paradigm shift in the educational system, which should result in the creation of job creators rather than job seekers. In the context of a youthful, entrepreneurial, and long-term company model that is built on innovations and technology, a startup is a business model in which the founders build a product or service for which they predict the demand by either disrupting existing markets or by creating wholly new markets. Every nation's economy is dependent on the people that live within that nation. The greater the number of individuals who are employed or working, the better the economy in general. It was brought to the attention of the Indian government that the Indian people have the potential to work very little; all they require is a viable start-up operation. There are a lot of people who have the desire to launch their own company, but they are unable to do so because of financial constraints or other similar challenges. Therefore, the Indian government, which is currently led by Narendra Modi, has made the decision to Consider presenting a donation in the form of a national program called "Startup India." People who are interested in beginning their own business can receive assistance through the revolutionary program known as "Startup India," which was launched in India. Because these individuals possess both ideas and capacities, the government will provide them with support in order to ensure that they are able to put



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their ideas into action and develop. As a result of the success of this plan, India will eventually become a more powerful nation and a more prosperous economy. The Government of India has chosen to launch an initiative known as Startup India.

#### **Literature Review**

**Azam, A.** (2021) In the present moment, the economic situation in India is in a state of expansion. With the introduction of liberal policies and programs for entrepreneurs such as "Make in India," "Startup India," MUDRA, and others, the government of India is demonstrating an increasing amount of enthusiasm in its efforts to boost the pace of growth of the gross domestic product (GDP) from the beginning of the process. As a consequence of this, Indian startups only account for four percent of the world's most renowned unicorns, which are defined as enterprises that are valued at one billion dollars or more. This is despite the fact that the country has a vast market size and abundant startup activity.

**Adhana, D.** (2020) Universities can behave more like businesses and businesses can become more technologically savvy through the incubator. In addition, the incubator is a very fundamental tool for facilitating efficient contact between universities and technology-based businesses. The demands of industry must be emphasized. Finding relationships in consulting, services, and other fields should come after determining what human resources businesses require. The support organization is promoted by the university's participation in an interdisciplinary network of services.

Singh, R. (2023) The proliferation of unicorns, the rise in startup numbers, and sectoral advancements all attest to Startup India's extraordinary success. This program has stimulated creativity, tapped into technology, and stoked entrepreneurial passion in a variety of fields. The campaign's influence goes beyond statistics; it speaks to the promise of India's youth, propelling economic expansion and influencing a future driven by technology. There is no denying the achievements, but there are also chances for improvement along the way. Growth opportunities include expanding financial sources, improving regulatory simplification, and fortifying market access. The campaign's reach can be increased even more by developing sector-specific support and expanding incubation infrastructure. Startup India can strengthen its position as an innovation catalyst and make India a global hub of entrepreneurial dynamism by tackling these issues.

**Shaikh, S., & Ganesh, M. P.** (2024) Data from 2024 show that just a small portion of the anticipated population has gotten training, underscoring the policy's inability to live up to its ambitious objectives. The inefficient operation of SSCs, poor infrastructure, underqualified instructors, and a general misalignment of training objectives with industry demands are among the main problems. There are few professions that require training, and trainees are not given enough preparation for these in-demand positions. Furthermore, the policy's emphasis on skilling falls short in addressing the socioeconomic obstacles underprivileged groups—especially women—face, whose participation and success after training have been limited by ingrained gender biases and sociocultural norms.



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Sanghi, S., & Srija, A. (2002) A startup ecosystem has been formed via the new policy measures which would not only boost startups notably in the manufacturing sector but also the micro units would be able to graduate quicker as small and medium units. If this target is fulfilled the goal of job realization via self-employment would be complete since self-employment is the solution to supplying work to the enormous percentage of people in the economically active age group. This process will be fast paced by the flagship courses properly supported by the Skill India Mission which would allow availability of appropriate trained personnel when entrepreneurs concerns about skill mismatch. Given that startups are emerging as key employment providers, governments both at the Centre and States need to put in place adequate policy framework for the start-ups.

### **Encouraging Rural and Women Entrepreneurship**

Skill India has benefitted rural youth and women entrepreneurs, leasing to the emergence of small businesses in food processing, Sewing Machine Operator, handicrafts, Beauty and wellness, and agriculture, etc. Obtaining access to micro-financing opportunities and constructing businesses that are sustainable are the goals of the Skill India training program. Additional help for female entrepreneurs is provided by programs such as Stand-Up India and MUDRA loans, which offer additional financial aid for new businesses.

#### **Boosting the Startup Ecosystem**

Startups in India have caught fire in the past few years, and Skill India Mission has been integral in providing a climate for innovation and entrepreneurship. At a high level, some Skill India Mission of the impact on the startup ecosystem includes are:

- **Promoting Entrepreneurship:** Many of the trained individuals who receive the education choose to be self-employed and pursue their ventures.
- Encouraging and Digital Economy Startups: Training in digital skills has increased in freelance and tech-based startups.
- **Incubation Programs:** SIM has been working with several incubators/accelerators to enhance their services for first-time entrepreneurs by providing mentorship and networking opportunities.

#### Conclusion

Skill India Mission is Global Game Changer in Entrepreneurship & Startup Ecosystem in India. It has played a huge role in economic upliftment of country by teaching skills and helping people self-employ themselves and providing them money. Skill India Mission has potential to position India as a global leader given that successive improvements and strategic initiatives. hub for skilled entrepreneurs and innovative startups.



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