

National Seminar on Effect of Ecopreneurship on Environment Protection & Sustainable Development

Government Policies and Schemes Supporting Eco-preneurs: A Contemporary Perspective

I. Prabhakara Rao^{1*}, Ch. Rohini²

¹Assistant Professor, Department of Management Studies, Sri Y. N. College (NAAC A+), Narsapur, Andhra Pradesh, India.

²Assistant Professor, Department of Management Studies, Bhimavaram Institute of Engineering, Pennada, Bhimavaram, Andhra Pradesh, India.

*Corresponding author e-mail: prabhakar.inti@gmail.com

Abstract

Introduction: The increasing global focus on sustainability, environmental conservation, and climate change mitigation has amplified the role of eco-preneurship in driving both environmental and economic progress. Eco-preneurship, a subset of social entrepreneurship, focuses on creating business solutions that are environmentally sustainable while achieving economic success. In India, a variety of government policies and schemes have been introduced to support eco-preneurs, individuals who create businesses that prioritize ecological and social benefits.

Methodology: This article reviews the latest government initiatives supporting eco-preneurs in India, focusing on schemes aimed at promoting green technologies, providing financial assistance, fostering innovation, and ensuring a conducive business environment for sustainable entrepreneurship. Seven key policies and schemes are examined in turn: the Startup India Scheme, the Pradhan Mantri Mudra Yojana, the Atal Innovation Mission, the National Electric Mobility Mission Plan, the Swachh Bharat Mission, the Production Linked Incentive Scheme for Green Hydrogen, and the National Mission on Sustainable

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Agriculture. For each, the study sets out the administering ministry, the objectives, and the specific benefits offered to eco-preneurs. The paper then reviews the challenges faced by eco-preneurs and evaluates the effectiveness of these policies and their impact on the green economy.

Results & Discussion: The Startup India initiative, launched in 2016, provides a three-year tax exemption on profits for eligible start-ups, a simplified process for business registration and licensing, and financial support and mentoring through government-backed funds and accelerators. The Pradhan Mantri Mudra Yojana offers loans up to INR 10 lakh without the need for collateral, particularly for eco-preneurs in rural areas. The Atal Innovation Mission under NITI Aayog runs Atal Incubation Centres to nurture and mentor eco-preneurs. The National Electric Mobility Mission Plan promotes electric vehicle adoption, charging infrastructure and manufacturing. The Swachh Bharat Mission provides opportunities in waste recycling and waste-to-energy. The PLI scheme for green hydrogen promotes decarbonisation of energy-intensive industries such as steel and chemicals, while the National Mission on Sustainable Agriculture supports organic farming, water conservation and climate-resilient techniques. Three persistent challenges are identified: access to capital, awareness and market readiness, and regulatory bottlenecks.

Conclusion: The Government of India's various policies and schemes provide a supportive ecosystem for eco-preneurs, creating financial, technological, and regulatory incentives to encourage sustainable entrepreneurship. These policies have made significant strides in supporting eco-preneurs by providing financial, regulatory and infrastructural assistance. While challenges like capital access and market resistance persist, the future looks promising for eco-preneurs, especially with initiatives such as the PLI scheme for green hydrogen, Startup India, and the NEMMP. A concerted effort to further streamline regulatory processes and enhance awareness about the long-term benefits of sustainability could lead to a robust green economy and the growth of eco-preneurship in India.

Keywords: Eco-preneurship; Government Schemes; Startup India; Pradhan Mantri Mudra Yojana; Atal Innovation Mission; Electric Mobility; Swachh Bharat Mission; Green Hydrogen; Sustainable Agriculture; India.

1. Introduction

Eco-preneurship, a subset of social entrepreneurship, focuses on creating business solutions that are environmentally sustainable while achieving economic success. With

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the increasing threat of climate change, pollution, and resource depletion, governments worldwide are introducing policies to encourage green business ventures. In India, the government has launched several initiatives that focus on fostering innovation in green technologies, providing financial incentives, and ensuring a regulatory environment conducive to sustainable entrepreneurship.

Eco-preneurship blends environmental responsibility with entrepreneurial innovation. In a world grappling with the consequences of climate change, pollution, and unsustainable resource exploitation, eco-preneurs provide solutions that not only meet market demands but also contribute to the long-term well-being of the planet. India, with its significant environmental challenges, has responded with multiple government policies aimed at fostering green business models. These schemes are designed to provide funding, infrastructure, tax incentives, and regulatory support to businesses that embrace sustainable practices. This article provides an overview of the most recent government policies and schemes supporting eco-preneurs in India, along with their effectiveness and challenges. It explores these key policies and evaluates their potential in empowering eco-preneurs.

2. Key Government Policies and Schemes Supporting Eco-preneurs

2.1 Startup India Scheme

Launched by the Government of India in 2016, the Startup India initiative aims to encourage innovation and business creation, especially in the green and sustainable sectors. The scheme offers benefits like tax exemptions, easier regulatory norms, and easier access to funding for eco-preneurial ventures. Special focus is given to start-ups that address climate change, waste management, and renewable energy.

- i. Government is providing a three-year tax exemption on profits for eligible start-ups.
- ii. Simplified process for business registration and licensing.

- iii. Financial support and mentoring through government-backed funds and accelerators was given.

2.2 Pradhan Mantri Mudra Yojana (PMMY)

The PMMY provides financial assistance to micro and small enterprises, including those focused on green technologies. The scheme is designed to support eco-preneurs, particularly those in rural areas, by offering loans up to INR 10 lakh without the need for collateral.

- i. Easy access to low-interest loans for small-scale eco-friendly businesses.
- ii. Financing options for green startups focused on renewable energy, waste management, and other sustainable solutions.
- iii. Support for social entrepreneurship that can drive ecological change.

2.3 Atal Innovation Mission (AIM)

AIM, under NITI Aayog, promotes innovation in key areas like sustainability and environmental conservation. The mission runs various programs, such as the Atal Incubation Centers (AICs), to nurture and mentor eco-preneurs and help them scale up their sustainable business solutions. It also supports research and development in green technologies.

- i. Establishment of Atal Incubation Centers (AICs) to foster green entrepreneurship.
- ii. Funding for the development of sustainable technologies and innovations.
- iii. Access to mentorship and support to help eco-preneurs succeed.

2.4 National Electric Mobility Mission Plan (NEMMP)

NEMMP aims to promote the adoption of electric vehicles (EVs) in India, creating opportunities for eco-preneurs to develop electric vehicle technologies, infrastructure, and services. It encourages the development of charging stations, manufacturing of EVs, and research into green transportation alternatives.

- i. Financial incentives for manufacturers and consumers of electric vehicles.
- ii. Funding for EV startups and infrastructure projects.
- iii. Collaboration between the private sector and government to build a sustainable EV ecosystem.

2.5 Swachh Bharat Mission (SBM)

The Swachh Bharat Mission, aimed at improving sanitation and waste management, has provided significant opportunities for eco-preneurs in waste recycling, waste-to-energy, and related sustainable practices. The government offers financial support to businesses innovating in the waste management sector.

- i. Funding for businesses focusing on waste management and recycling technologies.
- ii. Partnerships between the public and private sectors to promote cleaner cities and towns.
- iii. Financial rewards for sustainable sanitation innovations.

2.6 Production Linked Incentive (PLI) Scheme for Green Hydrogen

The Government of India launched a PLI scheme to promote the production of green hydrogen, an essential element for decarbonizing industries such as steel and chemicals. This scheme aims to promote eco-preneurship by encouraging startups and established companies to invest in green hydrogen production and related technologies.

- i. Financial incentives for businesses engaged in green hydrogen production.
- ii. Promotion of technologies that contribute to decarbonizing India's energy-intensive industries.
- iii. Support for developing the necessary infrastructure for green hydrogen production and storage.

2.7 National Mission on Sustainable Agriculture (NMSA)

The NMSA aims to promote sustainable agriculture practices through the adoption of organic farming, water conservation, and eco-friendly inputs. Eco-preneurs in the agriculture sector can benefit from government schemes that support organic farming, precision agriculture, and the development of climate-resilient farming techniques.

- i. Financial support for innovative agricultural startups.
- ii. Funding for businesses developing organic farming solutions.
- iii. Research and training programs for eco-preneurs in sustainable agriculture.

3. Challenges Faced by Eco-preneurs

While the government has introduced several support systems for eco-preneurs, challenges remain:

- **Access to Capital:** Despite government schemes like PMMY, eco-preneurs often struggle to secure sufficient funding due to perceived risks associated with green businesses.
- **Awareness & Market Readiness:** While eco-friendly products and services are growing in popularity, market acceptance is still limited, particularly in rural and semi-urban areas.
- **Regulatory Bottlenecks:** Bureaucratic delays and unclear regulations can impede the timely implementation of sustainable business ventures.

4. Recommendations for Strengthening Government Policies

1. **Improving Access to Finance:** The Government should create specialized funding channels, such as low-interest loans or equity funds specifically for eco-preneurs, to bridge the gap in capital access. More venture capital funds dedicated to green technologies could be introduced to attract private investment.
2. **Streamlining Regulations:** Simplifying the regulatory framework and establishing a one-stop-shop for green business could help eco-preneurs navigate the

complexities of approvals and permits. Streamlining process would reduce delays and improve the ease of doing business.

3. **Expanding Incubation and Mentorship:** Expanding the network of Atal Incubation Centres and other incubation platforms will provide eco-preneurs with the necessary tools, infrastructure, and mentorship to refine their innovations and scale their business.

5. Conclusion

The Government of India's various policies and schemes provide a supportive ecosystem for eco-preneurs. These initiatives create financial, technological, and regulatory incentives to encourage sustainable entrepreneurship. Government policies and schemes have made significant strides in supporting eco-preneurs by providing financial, regulatory, and infrastructural assistance. While challenges like capital access and market resistance persist, the future looks promising for eco-preneurs, especially with initiatives such as the PLI scheme for green hydrogen, Startup India, and the NEMMP. A concerted effort to further streamline regulatory processes and enhance awareness about the long-term benefits of sustainability could lead to a robust green economy and the growth of eco-preneurship in India.

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