

## **GREEN ENTREPRENEURSHIP**

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### **Abstract**

This study tells that green entrepreneur acts as an innovator to boost the economic activities by his powerful entrepreneurial decisions. The objective of this study is to recognize and breakdown the opportunities and threats; the green entrepreneur is likely to face. Green entrepreneur is one who believes in eco friendly ways of production. They have a strong motivational power to fight and tackle prevailing environmental problems. Their business activities have a good effect on the natural environment and at the same time they are financially sustainable. Green Entrepreneurs plays a vital role not only to develop industrial sector but also farming and services sector in a sustainable way. They are risk takers, who controls and monitors the business activities by using their ability to forecast the future. They strongly believe in Sustainable Development- that meets the needs of the present without compromising the ability of future generations to meet their own needs. They act as a strong pillar in the overall development of a country as they contributes in development of standard of life, generation of employment, increasing tax revenue and national income, without compromising with natural resources ultimately adding to the economic development of a country.

### **Keywords:**

Green Entrepreneur, Economic Development, Eco- friendly, Innovation, Sustainable Development

### **Literature Review**

The idea of green entrepreneurship originated recently, connecting sustainable development to entrepreneurship (Schaltegger & Wagner, 2008). Over time, many scholars have given various names to it like “ecopreneurship” (Gerlach, 2003), “environmental entrepreneurship” (Dixon & Clifford, 2007) or “green entrepreneurship” (Chick, 2009).

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There are lots of studies conducted in the past and examined the scientific structure of entrepreneurship research but the research on green entrepreneurship is very limited.

Petersen (2002) established that among 64 new ventures, 46 are having relation to environment friendly movement.

Gerald D. O'Neill, Jr et al.(2009) conducted the study by taking cultural context of sustainability entrepreneurship and presented that holistic value proposition (HVP) developed by a sustainability venture can create the value for various stakeholders across the different dimensions of sustainability.

Cohen and Winn (2007) carried out a study by taking organizations and the natural environment together and focused on incremental innovation through improvement of waste management practices. They concluded that corporate greening makes financial sense and simultaneously contributes to improved environmental performance.

Dean and McMullen (2007), conducted study to explain how entrepreneurship can help resolve the environmental problems of global socio-economic systems, and found that Environmental entrepreneurs can alleviate environmentally relevant market breakdown with the help of findings, judgments, and use of opportunities present in market failure.

From the above discussion it is concluded that the field of green entrepreneurship is having multidimensional aspects for research and very few researchers have conducted the research quantitatively to see the trends and productivity of the field.

### **Brief Profile of Green Entrepreneurs in India**

An entrepreneur always concentrates on creation of new ideas which can bring change in the society. Through this entrepreneur is adding to the welfare of society and helps in protection of environment. A good entrepreneur always thinks that he/she is responsible for the welfare of society. Many entrepreneurs have changed the concept of businesses in their own way and provided solution for various problems prevailing in the society. Below are few cited examples to motivate upcoming green entrepreneurs:

- 1. Waste Ventures – Waste management:** Waste Ventures India converted 90% of waste and produces nutrient-rich organic compost. They sign yearly contracts with municipalities and engage waste pickers at their processing units to separate waste. The Delhi-based startup was launched in 2011.
- 2. EnCashea:** Bengaluru-based Encashea gather scrap waste for cash. They pay you for separating your recyclable waste properly, reducing its environmental impact. Encashea has a Mobile app that makes it easy for users to request for a pickup. EnCashea has the prices for trash listed on their website.

3. **Banyan Nation – Recycling plastic:** Banyan Nation gather plastic wastes from industries and recycles it for further use in the industry. Mani Vajipey is a co-founder of Banyan Nation who inaugurated recycled plastic bags manufacturing unit at Patancheru in Hyderabad, said that they come a long way on the engineering front and are now adding performance enhancers to the recycled plastic in order to ensure greater lifecycle of recycled plastic. Every month this company recycles more than 30000 kg plastic.
4. **Priti International – Ecommerce for products made out of waste:** Hritesh Lohiya has founded his fortune in a trashcan, startup named Priti International, which converts industrial and consumer waste into useful products. This firm designs and produce handmade products from waste scrap. They produce handbags from old gunny bags and denim pants. They also make furniture from waste tins, drums, waste machine parts and lamps from old scooter and bike lights.
5. **The Living Greens – Rooftop farming:** Prateek Tiwari, an agriculture engineer and an MBA from Indian Institute of Foreign Trade, founded a start up named The Living Greens. It is a Jaipur-based startup that guides to set up rooftop farms and kitchen gardens. Their motive is to grow organic vegetables on every roof and to make every building a living green building, which helps in generating the largest number of urban carbon credits in the world.

### Challenges for Green Entrepreneurs

A business can endure if it has support from all stakeholders such as government giving tax benefits, suppliers focusing on supplying environmental friendly materials and customers buying green products.

The biggest challenge for green entrepreneurs is customer value creation through innovative products and cost control. We can take an example of organic farming in which country's farmers weren't eager to grow organics, and supermarkets weren't intent on stocking them, all because consumers weren't keen on buying them. .

Nevertheless green entrepreneurs face challenges like:

1. Lack of substitution of the traditional merchandise.
2. Cost control.
3. Redesigning stuff.
4. Lack of Research and Development infrastructure
5. Lack of support from Stakeholders- Government, allied business partners, Consumers etc.

6. Lesser profits as compared to other traditional form of businesses.

Geoffrey Jones, the Isidor Straus Professor of Business History at Harvard Business School, who wrote the recently released book *Varieties of Green Business: Industries, Nations and Time* said that The reason of The country's "green and clean image," as shown in the government's tourism ads, gave people the impression that its existing food chain was already safe.

These challenges can be reduced if proper support is received from all stakeholders affecting business decision of any concern.

### **Indian Market Scenario for Entrepreneurs**

The government of India has provided the budget of Rs 5 lakh for the Garbage Cafe Scheme. The country's first garbage café has been launched here in Ambikapur, Chhattisgarh. In this café, the Municipal Corporation will offer food to the poor and homeless people in lieu of plastic waste. Ambikapur has planned to use the plastic for construction of roads. Ambikapur already has a road made up of plastic granules and asphalt. The first road in the state of this type has been made in the city by mixing 8 lakh plastic bags. The road made by mixing plastic and asphalt is durable, because water cannot permeate through it.

Another new initiative from Government side is the complete ban on single use plastic from India. This will act as a solution to solve plastic pollution. Indians must embrace solutions rather than lobbying against regulations, since polluters will find their business and reputation under threat if they do not clean up their act.

To reduce and tackle the plastic waste from our daily lives, Dhritiman Borah has made an innovative solution. He is from Assam and he manufactured bamboo bottles to replace plastic.

Green industries are productive sectors operating efficiently by using organic components, phasing out toxic ingredients, substituting with renewable energy sources, improving occupational health, safety and environmental performances ultimately reducing environmental impacts of processes and products in a prudent manner. Greening of industries decouples the environmental stress and strains from economic growth. It incorporates a holistic approach integrating socio-economic, political and environment dimensions and bringing synergy in growth through maintaining proper equilibrium between local, state, national and international communities. Green industrial development is an instrument for transforming and fostering the nations to green economies with eco friendly life styles.

Green economies facilitate the growth of green enterprises and service industries on sustainable lines for reaping economic benefits through upholding environmental values. It has now evolved to include greening of the entire economy, providing long-term objectives of sustainable development and promoting social justice and decent work. Green economy includes broader dimensions of energy and resource efficiency, poverty eradication, social equity and human well-being.

Green business orientation is gaining momentum especially due to increasing demand for quality life, sustainable development and rise in the velocity of adversities happening all over the world in the form of natural and man-made catastrophes. Eco friendly entrepreneurship adopts principles, policies and practices campaigning for green behavioral approach that encompasses 4Rs- reduction (reduction of consumption and reduction of waste), reuse, recycling and recovery (Kassaye, 2001). Greening of the business may involve additional costs; however, preference for green products and services that enhances the quality of life will always bring extra benefits and increase the profitability of business. by going green the business can gain a competitive advantage, better customer acceptability, enrich brand image, provide value added services magnetizing more customers towards a sustainable commercial approach.

### **Schemes launched by Government for promotion of MSME**

Many schemes for development of MSMEs in the country have been initiated and the various Ministries/Departments of Government of India gave thrust to address general thematic issues. Recently development in lines with environment protection and sustainability is also gaining attention. As a part of this implementation of energy efficient technologies, setting up Carbon Credit Aggregation Centres, technology upgradation to make it greener and cleaner, promoting Lean Manufacturing, providing access to credit (Credit linked Capital Subsidy Scheme), quality improvement (Quality Management Standards/Quality Tools Scheme for MSMEs, QMS/QTT), assistance to achieve national and international standards, (ISO 9000/14001/HACCP Reimbursement Scheme), marketing assistance schemes (Marketing Assistance and Technology, Upgradation Scheme for MSMEs, Vendor Development Program for Ancillarization, Export Promotion Program for Packaging) has been supported by the Ministry. A capacity building of new entrepreneurs (Support for Entrepreneurial and Management Development of SMEs through incubators), promoting use of information technology in MSMEs (Information and Communications Technology schemes for MSMEs), assistance in developing new designs (Design Clinics Scheme) and creating awareness about intellectual property rights (Building Awareness on Intellectual Property Rights for

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MSMEs) are also part of MSMEs development programmes. These schemes can be availed of by any of the MSMEs, either by individual enterprises or by a group of enterprises, across all sectors.

### Setting up of Sustainable MSMEs and government Policies

- Increasing Energy efficiency.
- Enhancement of use of new and renewable energy.
- Waste minimization and management.
- Beneficial uses of waste.
- Prevention and control of air, water, soil pollution.
- Sustainable Consumption Production (SCP) oriented financing or Green financing.
- Giving due importance to Occupational Health and Safety (OHS).
- Utilisation of ICT in manufacturing for enhancing productivity.
- Skill development and up-gradation of workers especially from SCP angle.
- Creating awareness amongst managers of the benefits of SCP.
- Augment Investment in Research & Development for developing green technologies.
- Extensive marketing of Green Products.
- Integrated and Aggregate Reporting.

### Recommendations or Green Business Ideas for Entrepreneurs

1. **Innovation in Farming:** Rooftop farming, Hydroponics- Growing plants without soil, Aeroponics- Growing plants with no soil and very little water can be used in order to enable people to grow their own food or creating true eco-friendly gardens.
2. **Green Heating:** Solar water heating systems can be installed in any building in order to provide up to 70% hot water when properly installed to a family. When integrated with the building, solar water heating systems can also be used to heat the house and keep it warm, especially during those cold winter nights.
3. **Green Cleaning:** Using eco-friendly detergents can yet be another good idea to safeguard environment.
4. **Green Transportation:** For carbon-footprint now countries are moving in a direction to go green in transportation. For its implementation Electric and gas scooters and cars are going to increase in popularity.
5. **Green Building:** Green products like water-saving toilets, rooftop solar panels, or even after-installation servicing can be a best idea for green infrastructure building.

## **Findings**

Based on the literature survey and conceptual model the following are major findings of the study:

1. There are optimistic opportunities for the green entrepreneurs as the green market is expanding and consumer behavior is favorable towards green market in India.
2. India will be one of the best destinations in the world from investment point of view.
3. The study found a conceptual link between environmental concern, emerging green market, green entrepreneurs and sustainable development.
4. Due to increasing environmental awareness and education, consumers are becoming more responsive towards the environment. These factors will augment the changing consumer behavior towards green product or eco-friendly product.
5. Green market is an emerging market, which brings ample of opportunities in every field such as greening supply chain management, green production, green design etc.

## **Conclusion**

Green businesses are making efforts for sustainable, economical, social and environmental development by using renewable resources, eco-friendly practices, minimizing the harmful impacts of business on environment, thereby focusing on well being of current as well as the future generations. MSMEs are the backbone and key stakeholders in the transition of Indian economy. More than 90% of the MSMEs in the country are microenterprises run on small scale basis, causing low environmental hitches, concentrating on wide range of products and services especially in the rural and less industrialized areas. They can contribute enormously towards green and inclusive economy by encouraging innovation, generating green employment, and providing resilience to global economic apprehensions. Increasing thrust has been given to procedures and policies that endorse the concept of low-carbon economy resulting in the success of a number of green industries such as renewable energy, eco-agriculture, and green tourism and so on. The study will significantly contribute to streamline the renewable energy and green entrepreneurship sectors to help the entrepreneurs nurture in structured style and also assist government policy makers in designing good strategies for the growth of green business consequently boosting economic growth on sustainable lines.

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