



# Entrepreneurship in India

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Its Current and Future Impact on Competitiveness

Amit Kapoor — PART 6 of 6



*enhancing  
prosperity*

INSTITUTE *for*  
COMPETITIVENESS

## ROLE OF PRIVATE SECTOR IN ECONOMIC DEVELOPMENT

- A company's competitive advantage depends partly on the **quality of the business environment**
- A company gains advantages from being part of a **cluster**
- Companies have a strong **role to play** in upgrading their business environment

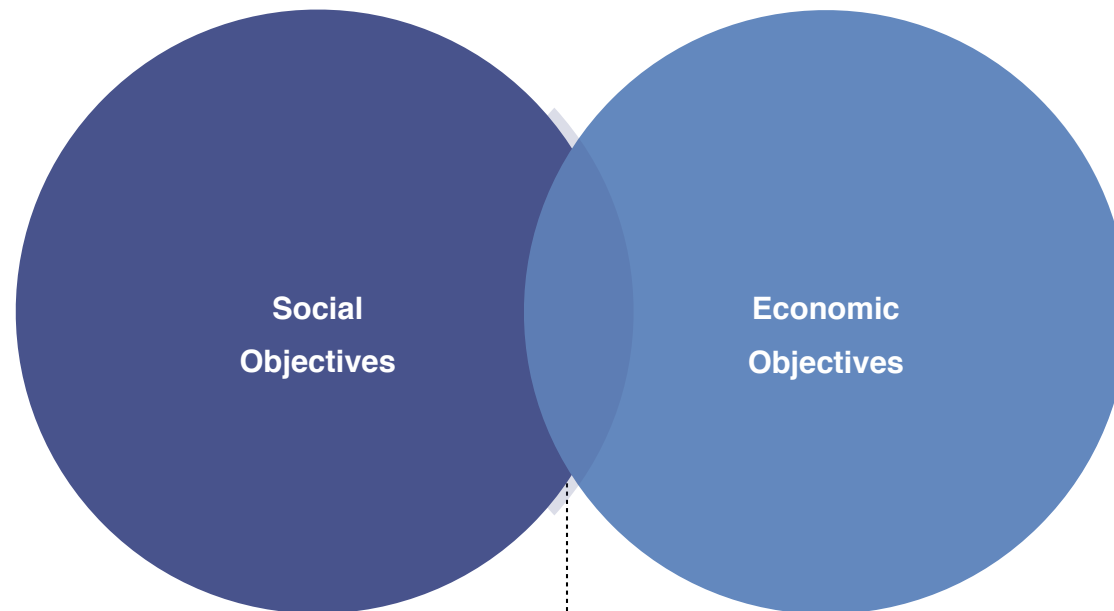


- Take an **active role** in upgrading the local infrastructure
- Nurture **local suppliers** and attract **foreign suppliers**
- Work closely with local **educational and research institutions**, to upgrade their **quality** and **address the cluster's needs**
- Inform government on **regulatory issues and constraints** bearing on cluster development
- Focus **corporate philanthropy** on enhancing the local business environment



- An important role for **trade associations**
  - Collaboration, cost sharing, and increasing influence

## ROLE OF PRIVATE SECTOR IN ECONOMIC DEVELOPMENT



Increasingly Business Models are emerging which are solving societal needs at the same time making money for the Organisation. Examples include  
HUL Shakti Amma and  
Aravind Eye care  
Vaatsalya Hospitals  
Vision Spring

## THE TYPOLOGY OF ENTERPRISES

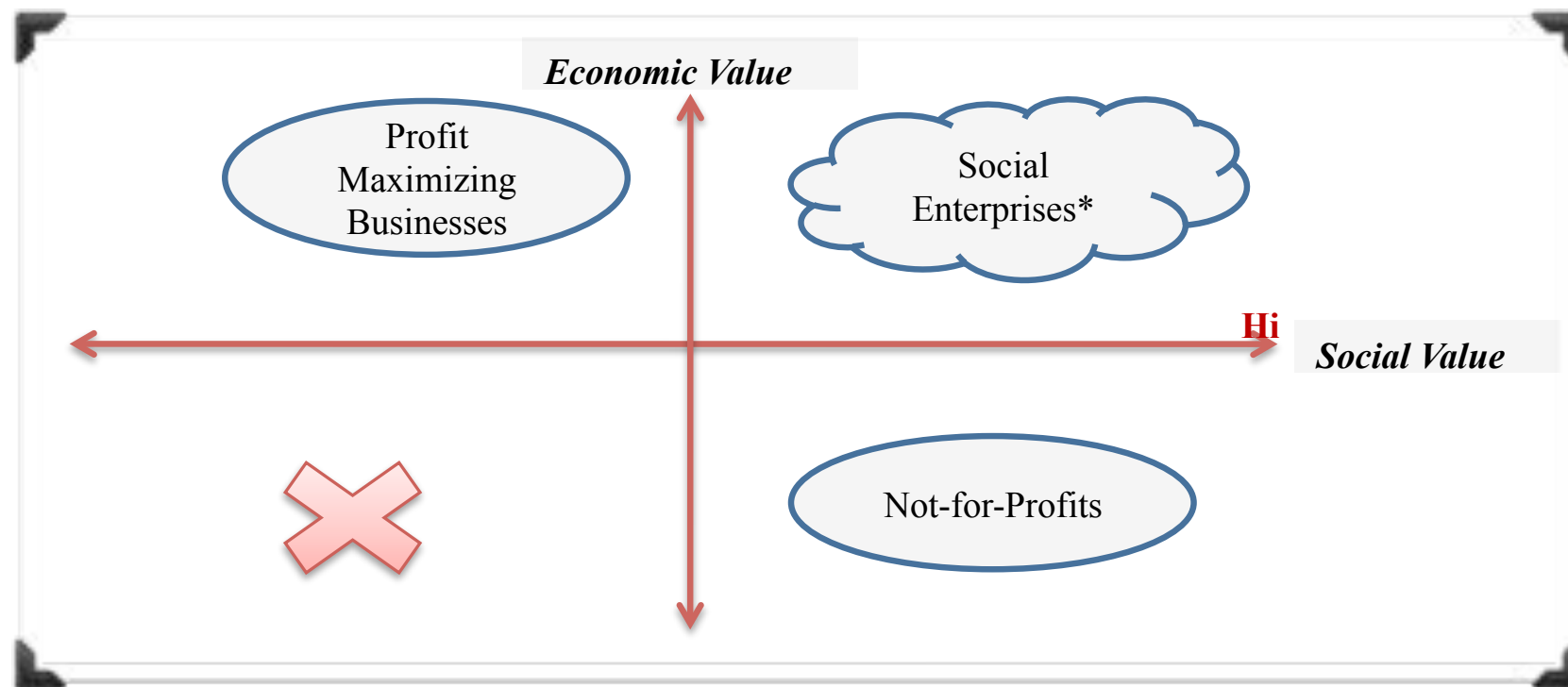
### Social Enterprises

*“involves the innovative use and combination of resources to catalyze **social change** and/or address **social needs** underlying sustainable development goals such as the **MDGs** defined at the UN General Assembly (Sept, 2000). The main focus, however, is on **social value creation**, while economic value creation is required to ensure self-sufficiency ...varies according to the **socio-economic and cultural environment**.”*

**Mair & Marti (2006) ; Seelos & Mair (2005); Bornstein (2004)**

<<However>>

*“...have to reach far more people with far less money, so they have to be especially innovative to advance solutions at scale.” – Bornstein (2004)*



## VALUE CHAIN INNOVATION

### 3 VALUE CHAIN INNOVATION



### 4 IMPACT OF INNOVATION

	Conventional Refrigerators	Godrej's Chotukool
Price	min. INR 2,000	INR 2,750
No-of components	200	20
Power consumption	90-100W	62W
Cooling time without power	90 min	220 min
Size, weight	80 kg 4 x 1.9 x 1.2 cu. ft.	7.3 kg 2.4 x 1.4 x 1.2 cu. ft.
Capacity	min. 100 lbs	35 lbs
Cooling range	-5°C - 18°C	5°C - 18°C
Power used	Electricity	Electricity / Battery / Inverter

- > An affordable, low energy solution for refrigeration for the rural masses
- > A potential market size of 250 million households
- > No operational and maintenance cost for Chotukool, low acquisition cost

