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“THE BEGINNING OF NEW ERA OF ECOPRENEURS”

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Introduction:

India has an immediate investment opportunity of \$1 trillion (Economic Times). It contributes only 3 % of entrepreneurs in the world.

Small businesses in India create 1.3 million jobs every year and provide the largest share of employment after agriculture and play a significant role in the country's GDP. Currently, India has more than 48 million small businesses; double the number of the small companies in the U.S. (23 million). According to Indian government data, Micro, Small and Medium Enterprises (MSME) contribute nearly 8 percent of the country's GDP, 45 percent of the manufacturing output, and 40 percent of the country's total exports.

Now let's look at the data below:

- India accounts for around 4.5 per cent of the global greenhouse gas emissions.
- India itself produces 62 million tons of garbage annually, out of which 5.6 million metric tons are just plastic.
- Of the world's top 20 polluted cities, 13 are in India compared to just three in China. Air pollution slashes life expectancy by 3.2 years for the 660 million Indians who live in cities, including Delhi. In China, the corresponding dip is marginally lower at three years, according to a report in The Hindustan Times.
- Despite the directives of the National Green Tribunal, civic agencies continue to allow concretization in green belts. Massive green cover is destroyed in the name of development.

Ecopreneurs (Environmental Entrepreneurs)

Joseph Schumpeter introduced the modern definition of 'entrepreneurship' in 1934. According to Schumpeter, "the carrying out of new combinations we call enterprise," and "the individuals whose function it is to carry them out we call 'entrepreneurs'." Schumpeter tied entrepreneurship to the creation of five basic "new combinations" namely: introduction of a new product, introduction of a new method of production, opening of a new market, the conquest of a new source of supply and carrying out of a new organization of industry.

When Blue (1990) applied the term Ecopreneurship for the first time in the literature, it described an individual who is aware of the environment and is able to bring about the best results within the given circumstances.

Entrepreneurs become ecopreneurs when their spirit, boldness, courage and determination not only transform the landscape but coalesce into a movement to transform global problems into opportunities for restoration and healing.

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Ecopreneurs go beyond organic, compliance to laws and regulations (or redefine them), beyond consumerism, minimum wages and beyond the free market economy to conduct business.

Ecopreneurs emblaze the re-greening of Earth, restoring degraded land, cleaning the air, building healthy and safe homes, devising clean, renewable energy sources, offering prevention oriented alternatives to treatment focused healthcare and helping preserve or restore the ecological and cultural wonders of the planet by changing the way we experience travel, just to name a few. While entrepreneurs make their money work for them through the businesses they create, or assets they accumulate, ecopreneurs use their businesses to implement their Earth Mission.

Examples:

The electricity sector in India had an installed capacity of 308.83 GW as of 30 November 2016. Out of which renewable power plants constitute 28.9% of total installed capacity.

Our honourable Prime Minister Narendra Modi has committed to support to Paris agreement on climate change by and suggested that by 2030, at least 40% of its electricity will be generated from non-fossil sources. This includes 175GW renewable energy capacity by 2022.

In support of this, The Canal Solar Power Project is launched in Gujarat, to use the 19,000 km long network of Narmada canals across the state for setting up solar panels to generate electricity, the was the first ever such project in India. It also prevents the evaporation of 9,000kilolitres of water annually from the canal serving the dual purpose of providing energy and water security. This is the governmental initiative, but several such ventures will be required to decrease the carbon emissions.

Water harvesting which was found in ancient civilizations is also one of the popular idea to increase ground water table. D&D ecotech, a startup helps households and organizations adopt rainwater harvesting. D&D Ecotech also designs its own rainwater harvesting recharge structures based on clients' needs and specifications.

Prateek Tiwari, agriculture engineer and an MBA from Indian Institute of Foreign Trade, Living Greens Organics has a startup that helps to set up rooftop farms and kitchen gardens. Their aim is to grow organic vegetables on every roof and to convert every building into a living green building, thus generating the largest number of urban carbon credits in the world.

Manoj Sinha, Gyanesh Pandey, Ratnesh Yadav and Charles W. Ransler, decided to create a clean, renewable and inexpensive source of electricity for Bihar's villagers. The model is very simple to execute and requires minimal training for employment. The company has employed over 300 local residents to run its current sixty plants producing electricity, and intends to train 2,500 more people in the next two years. Electricity from Husk Power Systems costs less than half of what many families previously paid for kerosene lamps, and has far fewer environmental and health hazards.

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Several other startups like smart air filters, on mask Life sciences, Airveda, Oizom etc are working on providing the citizens with purified air. This is just the beginning of the new era of environmental entrepreneurs or Ecopreneurs. But this new shift has created several challenges for the government to provide a platform/ecosystem to entrepreneurs to progress.

Challenges:

- **Culture:** Culture towards going green is new to India. People here are not ready to invest in ventures or innovate in green solutions. Also they have casual attitude towards nature and think it as government responsibility to maintain environment. Only those who are close to nature mainly in agricultural or related area, or environmental activist are thinking about the green avenues.
- **No Historical Data:** As the concept of going green is new or in nascent stage, entrepreneurs who are interested in such type of ventures do not have access to any related data. Lack of data results in problems during scaling up their business.
- **Infrastructure :** Government has to develop infrastructure for going green. In countries like Sweden which is top rated in use of renewable energy, government has energy advisers' area wise to guide citizens on the matter of saving energy. They cut down the taxes for people who install and go for renewable sources of energy in industries.
- **Partnership:** Public Private partnership should be encouraged. In Portugal, wind Power plant was set up with Public-Private Partnership and was quite successful. Newer models of partnership should be innovated and utilized for successful implementation of green ventures.
- **Policies:** India ranks 130 on the ease of doing business, for year 2017 according to World Bank's Report, which was 134 in 2015 and 131 during 2016. According to the World Bank's Doing Business Report 2016, it has become easier to start business but their access to credit and ease of paying taxes has worsened.
- **Funding:** There is still a great focus in business leaders on short term and quick returns across sectors. Most green tech concepts have payback period where significant benefit flow over the life of the project. Many businesses struggle with the concept of life cycle cost. They look at down payment and not at payback period. A classic illustration is of using energy efficient light sources (CFL and now LED). A housewife can be excused about looking at the initial cost, but not a business leader who is forever making investment with future inflows.
- **Mentoring:** Most enterprises have limited understanding/ownership of the green journey. They genuinely believe that the most expected from them is to be compliant (with respect to the applicable pollution norms). They do not recognize that they are missing out on

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opportunities of using green as a vehicle for competitive advantages. Quite often, green initiatives are perceived as "costly" and not remunerative. That is the flaw.

- **Research & Development facilities:** Government should set up machinery to promote research and development facilities where green initiatives are taken up. This can be in the form of funding, usage of laboratories or providing materials, testing instruments etc at low cost.
- **Only for Large organizations:** Yet another mind set which inhibits wider application of green business is the belief amongst many in industry that only large organizations have the readiness and relevance for green initiatives. The reality is that green is for everybody, suitably tailored. Frankly, large organizations like Tata Motors and Cummins can never claim to be truly green if their key vendors are not conforming.
- **Competitive Marketing Position:** People support organizations and products that are going green because it is a benefit for the community at large. For example, In pursuit of finding optimum solutions, Hindustan Unilever (HUL) has developed a shampoo which need minimum water and is in the market with detergent which requires hugely less quantity of water which is ultimate benefit to the consumers.

These are green innovations, and it also gives them competitive market positioning.

Avenues for Research:

Among the renewable energy sources, biomass also plays a vital role especially in rural areas, as it constitutes the major energy source to majority of households in India. Biomass energy is the utilization of organic matter present and can be utilized for various applications like generating heat and electricity, combining with fossil fuels or in transportation etc.

Also, India has geographical advantage of combinations of different topography whereby solar plants or wind and tidal energy can be generated.

World top 10 renewable electricity producers

Measurements are in TW·h/year (terawatt-hours per year), equal to 1 billion kilowatt hours (3,600 Terajoules) per year.

A look at the world's top ten renewable electricity produces, found that India stands 7 and China is topping the list. Though having ample of all the above resources, we are still underutilizing them.

Conclusion: At the national level, the extent of growth of green energy (the major ingredients for green business) is still a challenge. While we have made a start, it is so minute as compared to the scales in countries like China and Germany.

According to Godrej & Boyce, Appliances Division , Shirwal, Pune - First Platinum rated Green Co in India," Moving from our challenges and perceptions to some of our

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inherent strengths which will drive the green business in India, As people and society, we in India have seen and grown in an environment of "constraints and shortages" around us all the time. We respect resources and ration their usage. The multiple cycles in our recycling journey are mind blowing, where the last drop of value is extracted. This leads to resource conservation, reuse and recycling as part of our DNA. This spells good for a green economy and green business.

The "pathology" of managing with constraints, coupled with the emerging 'innovative' mindset, makes us best equipped to come with solutions which make living and business more sustainable. That is what green is all about.

Innovations in energy and water sectors assume great importance given the fact that 50% of the population depends on primary sector for livelihood opportunities and 90% of industrial units are SMEs supporting more than 20 million jobs. Such innovations would not only achieve resource conservation and sustainable practices and but also offer means of livelihood to those at the bottom of the pyramid.

The younger generation in every business is a lot more sensitive to environmental impacts, and is therefore, challenging the traditional ways of doing business. Hence, these leaders of tomorrow will drive green business with greater intensity and tenacity.

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