

VENTURE CAPITAL FINANCING: FUELING THE ENTREPRENUERIAL ENGINE IN INDIA

JYOTI

HOD & ASSISTANT PROFESSOR
K.P. COLLEGE OF MANAGEMENT
AGRA

ABSTRACT

Today's global business environment is increasingly competitive requiring decisiveness, broader relationship networks, abundant financial resources, and a global presence in order to compete effectively. The domestic market for goods and services is growing rapidly. Internet has simplified the business of business. All this has led to an explosion for the entrepreneurs to start up across the country. Mere idea cannot create an enterprise, it requires funds.

Raising funds for a new business was a frustrating uncertainty, but today, VCs, Bankers and angel investors are warring with each other to hunt down the next big idea. Amongst all the venture capital relationship can often bring that exact mix of support in addition to financial funding.

VC is a remarkable catalyst of entrepreneurial activity in many developed countries. It is an important source of finance for small and medium sized firms which have very few avenues for raising funds. It provides financial support to entrepreneurial talent and business skills. It is a commitment of capital or shareholding for the formation and setting up of small enterprises at the early stages of their life cycle.

This paper discusses these issues and present scenario of Indian venture capital market with special focus on their role in growth of new enterprises in the country.

KEYWORD: venture capital, entrepreneurship, angel investors.
