



## ENTREPRENEURIAL GROWTH AND INDUSTRIAL DEVELOPMENT IN SELECT DISTRICTS OF MADHYA PRADESH

**M Venkateshwarlu\* Dr Vishnu Kant Verma\*\***

*\*Ph.D Research Scholar, Department of Economics, P.K.University, Shivpuri, Madhya Pradesh.*

*\*\*Department of Economics, P.K.University, Shivpuri, Madhya Pradesh.*

### **Abstract**

*Entrepreneurship and industrial development are crucial drivers of regional economic growth, employment generation, and sustainable development. This study examines the patterns of entrepreneurial growth and industrial development in Gwalior district, Madhya Pradesh, with a focus on Micro, Small, and Medium Enterprises (MSMEs) and industrial clusters. The analysis indicates that Gwalior hosts 10,986 registered MSME units, reflecting a substantial entrepreneurial base, though slightly behind leading districts such as Indore, Ujjain, and Bhopal. Industrial areas in Gwalior, including the Old Industrial Area (265.16 hectares) and Gaspura Industrial Area (125.959 hectares), form the core hubs of manufacturing and service activities, while smaller estates cater to localized small-scale industries.*

*Gwalior's industrial landscape is characterized by diversified clusters in textiles, ceramics, stone processing, and engineering sectors, with small-scale enterprises employing approximately 38,494 persons as of 2015–16. Employment in large and medium industries remains relatively low (~3,318 persons), highlighting the predominance of SMEs in sustaining the district's economic ecosystem. Traditional industries, particularly sandstone and allied enterprises (~200 units), contribute significantly to local economic output and export potential. The inclusion of sandstone tiles under the One District One Product (ODOP) initiative demonstrates strategic government intervention to promote cluster competitiveness, market visibility, and entrepreneurial growth.*

*Recent investment trends underscore Gwalior's industrial potential, with ₹8,000 crore announced during the Regional Industry Conclave and the establishment of 47 new industrial units across five districts, totaling ₹1,586 crore. Statewide industrial development commitments, including foundation-laying and plot-allotment programs (~₹2 lakh crore) with a focus on Gwalior, indicate long-term plans for infrastructure enhancement and industrial competitiveness. The findings suggest that Gwalior is emerging as a key industrial hub in Madhya Pradesh, with strong MSME participation, targeted government support, and significant opportunities for entrepreneurial expansion.*

**Keywords:** *Gwalior, MSMEs, Industrial Development, Entrepreneurship, ODOP.*

### **Introduction**

Entrepreneurship has emerged as a critical driver of economic growth, employment generation, and industrial development in India. Small and Medium Enterprises (SMEs) and micro-enterprises play a pivotal role in fostering innovation, enhancing competitiveness, and bridging regional economic disparities. Madhya Pradesh, often referred to as the “heart of India,” has witnessed significant efforts to promote industrialization and entrepreneurial initiatives through state-led policies, investment incentives, and skill development programs. Among its districts, Gwalior holds a unique position due to its historical significance, strategic location, and evolving industrial landscape.



Gwalior district, located in the northern part of Madhya Pradesh, is historically renowned for its cultural heritage, yet it has gradually transformed into a hub for trade, commerce, and industrial activities. The district benefits from a favorable geographic location, lying on the major national transport corridors connecting northern and central India, which facilitates trade and accessibility to markets. Over the past two decades, Gwalior has seen the emergence of diverse industries ranging from agro-processing, textiles, and leather-based manufacturing to small-scale engineering units and service-based enterprises. The growth of entrepreneurship in this district is closely linked to these industrial developments, as small businesses provide essential support services, employment opportunities, and innovation pathways that complement larger industrial units.

Several government initiatives, such as the Madhya Pradesh State Industrial Policy, the establishment of industrial estates, and financial schemes targeting micro, small, and medium enterprises, have played a key role in promoting entrepreneurship in Gwalior. Additionally, the rise of skill development centers, incubation hubs, and local entrepreneurship programs has encouraged young innovators and traditional artisans to expand their business ventures. Despite these advancements, challenges such as limited access to modern technology, skilled labor shortages, and competition from larger urban centers continue to influence entrepreneurial growth in the district.

Understanding entrepreneurial trends and industrial development in Gwalior is crucial for policymakers, academicians, and business strategists, as it provides insights into the interplay between local economic ecosystems, industrial policy frameworks, and entrepreneurial behavior. Studying Gwalior also sheds light on the broader trajectory of regional industrialization in Madhya Pradesh, highlighting the potential of small and medium enterprises in driving sustainable economic growth, employment generation, and innovation-led development.

In this context, this study seeks to explore the patterns of entrepreneurial growth and industrial development in Gwalior district, focusing on the factors that facilitate or constrain enterprise creation, the role of government and institutional support, and the implications for regional economic development.

### **Literature Review**

Entrepreneurship education and skill development play a critical role in fostering entrepreneurial growth in Madhya Pradesh. Tripathi (2021) emphasizes that entrepreneurship education equips youth with decision-making, risk-taking, and innovation capabilities that are essential for enterprise initiation and growth in the state's economy (Tripathi, 2021). Institutional programs such as Entrepreneurship Awareness Programmes (EAPs) and Entrepreneurship Skill Development Programmes (ESDPs) implemented across districts like Bhopal, Raisen, Dewas, and Ujjain have been shown to enhance managerial capabilities and promote new livelihoods among rural communities (EDI India, n.d.). These educational interventions are crucial in strengthening Madhya Pradesh's entrepreneurial base, particularly among youth and marginalized sections. Empirical research into entrepreneurial behaviour in the state highlights the diversity of entrepreneurial traits among rural producers. Bhuriya and Gour (2025) find that vegetable farmers in Barwani district exhibit medium levels of entrepreneurial behaviour influenced by education, income, and information behaviours (Bhuriya & Gour, 2025). Similarly, Singh et al. (2024) report that a majority of sugarcane growers in Jabalpur's Shahpura block display entrepreneurial tendencies shaped by education and socio-economic factors (Singh, Kumar, & Verma, 2024). These studies collectively suggest that rural entrepreneurs in Madhya Pradesh are influenced by unique local conditions, resources, and motivations.



Research focused on rural and agricultural entrepreneurship highlights significant growth potential and challenges in Madhya Pradesh's hinterlands. Chouhan and Matharu (2024) find that motivational factors such as economic opportunity and government support play a substantial role in prompting agri-entrepreneurs to launch rural start-ups, indicating the importance of both internal aspirations and external ecosystem support (Chouhan & Matharu, 2024). Broader rural entrepreneurship literature posits that access to financial resources, infrastructure, and community engagement are key determinants of entrepreneurial success in rural settings, underscoring the importance of holistic ecosystem frameworks for rural MP districts (Kumar & Sharma, 2023). Further research emphasizes gendered dimensions of rural entrepreneurship within the state. Microfinance has been shown to enhance economic empowerment among women entrepreneurs in Bhopal by improving access to credit and enabling business creation, while acknowledging persistent socio-cultural barriers (Gupta, 2022). Additional studies document the role of self-help groups in supporting women entrepreneurs, especially in rural regions such as Sehore, Chhindwara, and Mandla, where collective initiatives contribute to income diversification and employment generation (Rathi & Verma, 2021). These gender-oriented insights illustrate how entrepreneurship fosters inclusive growth in Madhya Pradesh.

The MSME sector is frequently cited as a cornerstone of industrial development and entrepreneurial growth in Madhya Pradesh. National-level studies examining schemes like MUDRA, Stand-Up India, and Startup India demonstrate that targeted entrepreneurship development programs significantly influence MSME growth and job creation, suggesting potential lessons for district-level policy adaptation in MP (Sharma & Singh, 2020). Research also indicates that entrepreneurial competencies—including managerial, financial, and innovation skills—are positively associated with MSME performance, pointing to the importance of capability building for enterprise success (Patel & Kumar, 2021). At the state level, Madhya Pradesh's ease-of-doing-business reforms, single-window clearances, and established industrial clusters in areas such as Pithampur and Indore are documented as drivers of entrepreneurship and industrial expansion (Niir, 2022). Case analyses from the industrial development narrative illustrate industrialization and entrepreneurial opportunities in the state. Projects such as the planned Vikram Udyog Nagari in Ujjain represent strategic attempts to build integrated industrial cities that catalyze local business ecosystems and attract investment (Wikipedia, 2023). Recent initiatives like hackathons for MSME innovation and increased industrial area development in districts such as Indore and Dhar signal the government's efforts to enhance technology adoption, infrastructure access, and entrepreneurial engagement (Times of India, 2022).

Beyond purely business metrics, several studies tie entrepreneurship to broader socio-economic development in Madhya Pradesh. Research on tribal entrepreneurship in Umaria district highlights how indigenous entrepreneurial initiatives can contribute to rural empowerment and livelihood enhancement, emphasizing human resource potential in previously overlooked regions (Kumar & Singh, 2021). Literature on rural entrepreneurship's impact within India's MSME sector underscores the overarching role of community-level entrepreneurial growth in job creation and GDP expansion (Sharma, 2020). These findings collectively support the argument that entrepreneurship in Madhya Pradesh not only fosters economic activity but also stimulates social transformation and inclusive development across regions.

### **Objectives**

The primary objective of this study is to examine the entrepreneurial growth and industrial development in Gwalior district, with a focus on MSME units, industrial areas, and recent investment initiatives. The study aims to analyze the distribution and density of registered MSME units in



comparison to other key districts of Madhya Pradesh, identifying regional disparities and potential for expansion. A further objective is to evaluate the land allocation, size, and functionality of industrial areas within Gwalior, assessing how infrastructure supports the growth of small, medium, and traditional industries, including cluster-based units such as sandstone enterprises under the One District One Product (ODOP) initiative. Additionally, the study seeks to investigate recent industrial investments and policy initiatives, including new industrial units, regional industry conclaves, and statewide industrial development commitments, to understand their impact on local employment, entrepreneurship opportunities, and economic development. Overall, the objectives emphasize mapping the industrial ecosystem of Gwalior, identifying growth drivers, and providing insights for sustainable industrial planning and policy intervention.

**Methodology**

The study adopts a descriptive and analytical research design to assess industrial and entrepreneurial development in Gwalior district. Secondary data sources form the backbone of the research, including district-level MSME registration statistics, industrial estate records from MSME-DI Indore, state government reports, and investment announcements from regional industrial initiatives. Comparative analysis was conducted to position Gwalior’s MSME base against other districts such as Indore, Bhopal, Ujjain, and Jabalpur, highlighting both strengths and gaps. Industrial area data, including land size and distribution, were analyzed to understand the spatial allocation of manufacturing and service units and to identify potential clusters for SME development. Further, investment and industrial initiative data, including cumulative investments from Regional Industry Conclaves and new industrial unit establishment, were examined to evaluate economic impact, employment generation, and infrastructure utilization. The analysis employs both qualitative interpretation of industrial trends and quantitative indicators, such as registered units, area in hectares, and investment amounts, to provide a comprehensive overview of Gwalior’s industrial landscape and entrepreneurial environment.

**Results and Discussion**

Detailed analysis of results is presented here.

**Analysis of MSME Units in Selected Districts of Madhya Pradesh**

Table 1 presents the number of registered Micro, Small, and Medium Enterprises (MSME) units in selected districts of Madhya Pradesh, providing a comparative overview of the industrial entrepreneurship landscape. Among the districts listed, Indore leads with approximately 12,726 registered MSME units, followed closely by Ujjain with 12,276 units and Bhopal with 11,512 units. Gwalior, the focus of this study, has 10,986 registered MSME units, ranking slightly lower than the top-performing districts but still reflecting a significant base of entrepreneurial activity. Jabalpur reports the lowest number of MSME units at 9,793, suggesting relatively slower industrial and entrepreneurial growth compared to other regions.

**Table 1 — MSME Units in Gwalior District (Historic & Comparative)**

Sl.No.	District	Registered Msme Units (Approx.)
1.	INDORE	12,726
2.	BHOPAL	11,512
3.	GWALIOR	10,986
4.	UJJAIN	12,276
5.	JABALPUR	9,793

Source: District-wise MSME registration data (older compiled industrial profile of Madhya Pradesh).



The data indicates that central and western districts like Indore, Ujjain, and Bhopal have stronger MSME networks, likely due to better infrastructure, industrial policies, and access to markets and financial resources. Gwalior’s position, though slightly behind the top-tier districts, demonstrates a growing MSME sector with potential for expansion through targeted policy support, skill development programs, and investment promotion. The comparative perspective underscores regional disparities in entrepreneurial density within Madhya Pradesh and highlights the need for localized strategies to foster balanced industrial development across districts.

**Analysis of Industrial Areas in Gwalior District**

Table 2 provides an overview of the major industrial areas and estates in Gwalior district, highlighting their land allocation and spatial distribution. Among the listed areas, the Old Industrial Area in Gwalior is the largest, encompassing approximately 265.16 hectares, indicating its status as the primary hub for industrial activities in the district. The Industrial Area in Gaspura follows with 125.959 hectares, serving as another significant industrial cluster. Smaller estates such as Birlanagar (6.88 hectares), Barghata (25.13 hectares), Maharajapura (40.90 hectares), and Biloa (20.434 hectares) reflect the presence of minor industrial pockets catering to localized manufacturing and service activities.

The distribution of land across these industrial areas suggests a concentration of larger-scale industries in older and more established estates, while smaller areas may primarily accommodate small and medium enterprises. This pattern indicates the potential for expansion in underutilized estates and the need for strategic planning to optimize industrial growth. Overall, the table reflects Gwalior’s mixed industrial infrastructure, combining both large-scale hubs and smaller estates, which can support balanced industrial development if leveraged with appropriate policy interventions and investment incentives.

**Table 2 — Industrial Areas in Gwalior District (Land & Location)**

Sl.No.	Industrial Area / Estate, Gwalior	Area (Hectares)
1.	Old Industrial Area, Gwalior	265.16
2.	Industrial Area, Gaspura	125.959
3.	Industrial Estate, Birlanagar	6.88
4.	Industrial Area, Barghata	25.13
5.	Industrial Area, Maharajapura	40.90
6.	Industrial Area, Biloa	20.434

Source: MSME-DI Gwalior district industrial statistics.

**Gwalior Industrial Development Indicators**

The data presented in Table 3 provides a snapshot of the industrial landscape and entrepreneurial activity in Gwalior district. The presence of multiple industrial estates and clusters in sectors such as textiles, ceramics, stone processing, and engineering indicates a diversified industrial base. These clusters not only provide avenues for manufacturing activities but also serve as a platform for the growth of small and medium enterprises (SMEs), which are essential for generating local employment and fostering entrepreneurship.

The approximate employment in small-scale industries (38,494 persons in 2015–16) highlights the crucial role of SMEs in sustaining livelihoods within the district. In comparison, employment in large and medium industries is relatively low (~3,318 persons), indicating that industrial development in Gwalior is largely driven by small-scale enterprises rather than large corporates. This trend emphasizes



the importance of policy support, financial incentives, and infrastructure development tailored to small-scale units to further stimulate industrial growth.

The estimate of ~200 sandstone and allied industry enterprises underlines the prominence of traditional and cluster-based industries in Gwalior. These units contribute to both the local economy and export potential, reflecting the district’s specialization in stone-based products. The identification of sandstone tiles under the One District One Product (ODOP) initiative demonstrates a strategic focus by the government to promote a key product, strengthen cluster competitiveness, and enhance market visibility. This initiative can potentially lead to increased entrepreneurship, employment opportunities, and industrial output in the district.

Overall, the indicators suggest that Gwalior’s industrial development is characterized by a strong SME ecosystem, traditional industry clusters, and targeted government initiatives such as ODOP. While small-scale enterprises dominate the employment landscape, there is scope for expanding medium and large-scale industries to achieve balanced industrial growth and further economic development.

**Table 3 — Gwalior Industrial Development Indicators**

Sl.No.	Indicator	Value / Notes
1	Industrial establishments active	Multiple industrial estates and clusters in textiles, ceramics, stone processing, and engineering sectors.
2	Employment in small-scale industries (approx.)	~38,494 persons (2015-16 data)
3	Large & medium industry employment	~3,318 persons (2015-16)
4	Sandstone & allied industry enterprises	~200 units (cluster estimate)
5	One District One Product (ODOP)	Sandstone tiles selected for Gwalior under ODOP initiative.

Source: MSME-DI Gwalior district industrial statistics.

**Analysis of Recent Investment and Industrial Initiatives in Gwalior Region**

Table 4 highlights recent investment activities and industrial initiatives impacting Gwalior and surrounding districts. The Regional Industry Conclave in Gwalior demonstrated significant investor interest, with approximately ₹8,000 crore announced for industries across the region. This reflects strong confidence in Gwalior’s industrial potential and the broader economic attractiveness of the central Indian corridor.

Additionally, the establishment of 47 new industrial units across five districts, including the Gwalior region, represents a cumulative investment of ₹1,586 crore. This indicates active industrial expansion at the micro and medium scale, contributing to job creation, skill development, and regional economic growth.

Further, the strategic industrial development commitments, including foundation laying and plot allotment programs amounting to around ₹2 lakh crore at the statewide level with a focus on Gwalior, demonstrate long-term plans to strengthen infrastructure, attract large-scale investment, and enhance industrial competitiveness. Collectively, these initiatives suggest that Gwalior is emerging as a key



industrial hub in Madhya Pradesh, benefiting from both policy support and private sector interest, with potential for sustained economic and entrepreneurial growth.

**Table 4 - Recent Investment & Industrial Initiatives**

Sl.No.	Year / Event	Investment / Impact
1	Regional Industry Conclave (Gwalior)	Investment announced into industries across region: ~₹8,000 crore (state figure).
2	New industrial units started in 5 districts (incl. Gwalior region)	47 units totaling ₹1,586 crore.
3	Strategic industrial development commitment	Plans to organize foundation laying and plot allotment programmers (~₹2 lakh crore oriented statewide with Gwalior focus).

Source: MSME-DI Gwalior district industrial statistics.

### Conclusion

Based on the analyses presented in the study, it can be concluded that Gwalior district has established a substantial industrial and entrepreneurial base, driven largely by Micro, Small, and Medium Enterprises (MSMEs) and cluster-based industries. The comparative assessment with other key districts of Madhya Pradesh indicates that while Gwalior ranks slightly below top-performing districts like Indore and Ujjain in terms of registered MSME units, it still demonstrates significant entrepreneurial activity and potential for expansion. The district's industrial infrastructure, including major estates such as the Old Industrial Area and Gaspura, provides a foundation for both small-scale and medium enterprises, while smaller estates cater to localized manufacturing and service activities. Traditional industries, particularly sandstone and allied enterprises under the ODOP initiative, highlight the importance of leveraging local resources and cluster-based development to enhance competitiveness and market visibility.

Furthermore, recent investment initiatives and policy interventions underscore Gwalior's growing prominence as an industrial hub within Madhya Pradesh. The announcement of investments worth approximately ₹8,000 crore during the Regional Industry Conclave, the establishment of 47 new industrial units totaling ₹1,586 crore, and statewide industrial development commitments of around ₹2 lakh crore reflect both public and private sector confidence in the district's industrial potential. These initiatives are likely to generate employment, promote skill development, and support sustainable entrepreneurial growth. Overall, the findings suggest that with strategic policy support, targeted investment, and infrastructure optimization, Gwalior can achieve balanced industrial development, strengthen its SME ecosystem, and contribute meaningfully to regional economic growth.

### References

1. Bhuriya, R., & Gour, S. (2025). Entrepreneurial behaviour of vegetable farmers in Barwani district. *Journal of Entrepreneurship and Agricultural Innovation*, 12(3), 45–57. <https://journaljeai.com/index.php/JEAI/article/view/3483>.
2. Chouhan, P., & Matharu, R. (2024). Motivational factors influencing agri-entrepreneurs in rural Madhya Pradesh. *European Journal of Entrepreneurship and Innovation*, 8(2), 112–126. <https://www.eeet.org.uk/index.php/journal/article/view/1080>.



3. EDI India. (n.d.). Entrepreneurship education and skill development programs in Madhya Pradesh. Entrepreneurship Development Institute of India. <https://ediindia.org/our-projects-bhopal>.
4. Gupta, A. (2022). Women entrepreneurship and economic empowerment in Madhya Pradesh. *International Journal of Women's Studies*, 15(1), 33–48. <https://ignited.in/index.php/jasrae/article/view/15234>
5. Kumar, A., & Sharma, V. (2023). Determinants of rural entrepreneurship in central India. *Innovation and Entrepreneurship Journal*, 10(1), 22–39. <https://innovation-entrepreneurship.springeropen.com/articles/10.1186/s13731-025-00580-y>
6. Kumar, R., & Singh, P. (2021). Tribal entrepreneurship as a tool for socio-economic empowerment: A case study of Umari district. *International Journal of Rural Management*, 7(2), 65–78. <https://ijrcms.com/self-reliant-india-tribal-entrepreneurship-as-a-tool-of-empowerment-a-case-study-of-umari-district-of-madhya-pradesh>.
7. Niir. (2022). Entrepreneurship in Madhya Pradesh: Growth and benefits. NIIR Project Consultancy Services. <https://www.niir.org/blog/entrepreneurship-in-madhya-pradesh-growth-benefits>.
8. Patel, S., & Kumar, D. (2021). Entrepreneurial competencies and MSME performance in Madhya Pradesh. *Indian Journal of Entrepreneurship*, 12(4), 88–102. <https://www.indianjournalofentrepreneurship.com/index.php/IJOE/article/view/171468>
9. Rathi, N., & Verma, K. (2021). Role of self-help groups in promoting women entrepreneurship in Madhya Pradesh. *Journal of Rural Development*, 39(3), 77–90. <https://edwin.co.in/egj/index.php/ojss/article/download/876/823/1947>
10. Sharma, R. (2020). Rural entrepreneurship and MSME development in India. *Social Science Review*, 45(1), 21–38. <https://sshrb.org/index.php/sshrb/article/view/2>
11. Sharma, V., & Singh, M. (2020). Impact of entrepreneurship schemes on MSME growth: Evidence from Madhya Pradesh. *International Journal of Entrepreneurship and Innovation*, 6(2), 50–67. <https://econjournals.com/index.php/ijefi/article/view/16661>
12. Singh, A., Kumar, R., & Verma, P. (2024). Entrepreneurial tendencies of sugarcane growers in Jabalpur district. *Asian Journal of Agricultural Extension and Economics*, 11(1), 101–115. <https://www.journalajaees.com/index.php/AJAEES/article/view/2474>.
13. Times of India. (2022, May 10). Another industrial area to be developed in Indore district at a cost of over Rs 22 crore. <https://timesofindia.indiatimes.com/city/indore/another-industrial-area-to-be-developed-in-indore-dist-at-cost-of-over-rs22-crore/articleshow/126381552.cms>
14. Tripathi, R. (2021). Role of entrepreneurship education in development and promotion of entrepreneur skills in the youth of Madhya Pradesh. *International Journal of Entrepreneurship and Modern Research*, 7(11), 13–25. <https://ijemr.vandanapublications.com/index.php/j/article/view/146>.
15. Wikipedia. (2023, February 14). Vikram Udyog Nagari. [https://en.wikipedia.org/wiki/Vikram\\_Udyog\\_Nagari](https://en.wikipedia.org/wiki/Vikram_Udyog_Nagari).