



Start up India: Challenges and opportunities

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Abstract

Due to globalization and advancement in technology competition is increasing day by day that's why self-employment consciousness among college students is increasing at fast pace. Furthermore India is second most populous country and due to large population pressure it is need of hour to develop entrepreneurial skill among people in India so government launch startup India Plan to support young inspiring entrepreneur. Starts ups have played and continue to play significant roles in the growth, development and industrialization of many economies all over the world. Startup is flagship initiative of the government of India, intended to build a strong ecosystem for nurturing innovation. Startup will drive sustainable economic growth and generate large scale employment opportunities and minimize unemployment.

Keywords: startups, entrepreneurship, regulatory clearances, challenges and opportunities

Introduction

Prime Minister Narendra Modi on 15 August 2015 announced “Start up; Stand up India”, an initiative to enable start-ups and encourage entrepreneurship in India thereby leading to creation of employment opportunities in the nation. Start-ups such as online businesses like Flipkart, Amazon, Myntra, Snapdeal, etc are now some of the most valuable and successful private companies in India on account of such initiatives taken by the Government. Startup India is a Government of India flagship initiative to build startups and nurture innovation. Through this initiative, the Government plans to empower startup ventures to boost entrepreneurship, economic growth and employment across India. India's startup eco-system has become a talking point for the entire world. With hundreds of innovative youngsters choosing to pursue the path of entrepreneurship instead of joining the multinational corporations and government ventures, the business world has witnessed an explosion of ground-breaking startups providing solutions to the real problems at a mass level in the past years.

Startup India is about creating prosperity in India. Many enterprising people who dream of starting their own business lack the resources to do so. As a result, their ideas, talent and capabilities remain untapped – and the country loses out on wealth creation, economic growth and employment. Startup India will help boost entrepreneurship and economic development – by ensuring that people who have the potential to innovate and start their own business are encouraged—with proactive support and incentives at multiple levels. Indian government is serious in promoting entrepreneurship at the startup level and has taken a number of initiatives to ensure appropriate support. In this aspect it is relevant to mention ‘Make in India’ campaign introduced in September '14 to attract foreign investments and encourage domestic companies to participate in the manufacturing sector. The government increased the foreign direct investment (FDI) limits for most of the sectors and strengthened intellectual property rights (IPRs) protection to instill confidence in the startups. In order to make the country as number one destination for startups, Government of India (GoI) has introduced a new campaign called ‘Standup India’ in 2015 aimed at promoting entrepreneurship among women and to help startups with bank funding.

Objectives of the Study

1. To know the various issues and challenges faced by the start-ups.
2. To assess the opportunities for the start-ups.

Research methodology

This research paper is essentially focused on the challenges faced by the start-up. This research is predicated on the secondary data that has been collected through the books, various websites, newspapers, research papers etc. After referring various case studies and observing existing start-up management practices researcher has made own analysis and elaborated on various critical challenges faced by Start-up Company.

Startup business challenges

In current years, the Indian startup organize has truly taken off and made its mark—driven by elements, for example, enormous subsidizing, combination exercises, advancing innovation and an expanding local market however it has long approach there are different obstacle come in method for Startup on the grounds that many

controlling powers introduce in condition will ruin entire amusement. As mention earlier, finance is the integral part of the start-up process. . Any start-up would face financial issues and problems for several reasons and in several stages. For instance, while bootstrapping the founder negotiates with relations and friends to convince them to take a position in his/her idea. He/she invests within the business, and since the thought is in its early stages, he/she might need extra money to expand it. Afterwards, within the seed stage, founder should search for angel investors and convince him/her with reasonable valuation plans. Development of business is to a great extent rely on upon government direction since government assume real part in building business person in the nation however youthful moving business person surmise that due protracted methodology and customs it is extremely hard to work together in India and world bank report totally bolster their feeling in light of the fact that as indicated by this report India is positioned 130th out of 189 economies on the effortlessness of working together, 133rd on the simplicity of exchanging crosswise over fringes and 157th on the simplicity of paying charges besides India is positioned 155th if there should arise an occurrence of beginning a business. Growing business visionaries need to make various excursions to government workplaces to enlist and look for clearances. Critical need to scrap various administrative clearances so first significant test is bring monetary and money related change so it get to be distinctly less demanding for working together and youthful moving business visionary to seek after their fantasy of getting to be distinctly fruitful businesspeople. Second greatest test confronted by Indian business visionary is that on a normal, Indian organizations need to make 33 assess installments every year with around 243 hours spent to get ready and pay charges in a year and conversely, China requires only nine expense installments every year, while the US doesn't inconvenience its citizens more than 11 times every year for duty installments. Charges like octroi, VAT, extract makes issues for business people while beginning up a business.

Opportunities for startups

There is renowned saying that "each coin has two sides" so start up has made abundant open doors for youthful Indian populace. As indicated by the most recent UN articulation India with 356 million 10-24 year-olds have the real centralization of youth populace regardless of having a littler populace than China. Youth is the main thrust behind advancement, creation, and the future pioneers of a nation besides Youth likewise drives request and utilization design in a nation. For new companies youth make up the workforce that it so urgently needs and going ahead youth can be a gigantic ability base for new businesses and most appropriate to address rising nations' difficulties since India has an interesting arrangement of issues that need advancements to start out of the nation issues around its wellbeing, instruction, foundation, sanitation are one of a kind to the nation and arrangements from western world can't settle it. Every issue gives an interesting chance to new companies to fathom some basic issue and in the meantime create a business around it. What aides are that most issues around rising economies are connected in nature and arrangements appropriate here can likewise work in different nations of Africa and somewhere else. This empowers Indian new companies to procure a significantly greater scale and, in the meantime, have an important effect far and wide. The number of inhabitants in India is a gigantic resource for the nation in the following couple of years. By 2020, it is assumed that the country will encounter a "statistic reward" period where the working age populace would surpass the non-working populace. This unmistakable statistic preferred standpoint will offer an extraordinary chance to any firm or association attempting to wind up distinctly effective and make a predominant position in the Indian market. India is good to go to split away the customary profession ways as a considerable measure of ability is tending towards working with the Indian startup space. Testing assignments, tremendous subsidizing that brings huge remuneration bundles and a related cool remainder are making new businesses an exceptionally lucrative place and engaging vital offer. Progressively, a pattern is being seen where a few mid-level authorities are likewise stopping their employments at enormous firms with a specific end goal to work for new companies.

Conclusion

Start-up India was launched to provide a very promising future to the entrepreneurs of the country. The initiatives introduced were in great favor to make start-ups successful. This paper attempted to analyze the benefits and challenges faced by the start-up. According to the research done, we can conclude that the initiative of the government brought a deep and last longing positive spirit in the country for all people young and old who wanted to pursue their dreams of having their own successful start-ups. The startups in India tend to have lot of opportunities for growing their business. Even if they face issues and challenges, they should try to cope up with these hurdles in a well efficient manner. The Indian start-up ecosystem has evolved, being driven by factors such as growth in number of funds/angels, evolving technology, higher smart phone and social media penetration, growth in incubators and accelerators, younger demographics etc. Recent government initiatives like 'Start up India, Stand up India' India will only result in additional momentum in this space but as it is well know that "every coin has two side" so there is few obstacles in way of Startup India like it take time, effort, and energy. Funding is a major concern for startups and small businesses. At the point when the economy failed, it made it harder to persuade financial specialists and banks alike to part with the money that is basic for development in the beginning of a business. Moreover level of learning that business consultants have about natural issues, Multi window clearances and tax assessment framework are greatest test in method for accomplishment of Startup India so government needs to do bunches of work in this heading.

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