

Startups India : Challenges Opportunities and Framework in Entrepreneurship

Abstract

Startup india is a great path ahead made by Indian government to achieve the goal of success in all relevant fields of development with a growth of pace. Startup is that starts something ground up, something that no body has thought about is often record breaking, type of startup is difficult to create but once it will be create it often sees tremendous growth. The second type of startups we see around us are primarily that do not want to to select the wheel. It is just like to put old sauce in a new Bottle and to create something new and effective. It may be a kind of startup, Indian startups Handle its own kind of challenges and some Best Growing opportunities.

Keywords: Innovation, Opportunities , Challenges Phenomenon.

Introduction

Entrepreneurship and startups are some recent phenomenon in our country. It is only in the last decade and half of the people in our country have moved from being job seekers to job creators. Though startup is tough and every country will get more failures than success. More than not an entrepreneur needs to be prepared to face failures and kind of hardship. However, culturally we are not expert to face failure is our working. Entrepreneurship work on celebrations and with a society that fails to appreciate business failures by innovation and creativity even before it can start. A startup teach an entrepreneur, what to do and what not to do for progress and development

Prime Minister Narendra Modi's Start-Up Action Plan

It has 19-point agenda including incentives such as self certification for welfare of labour and environment regulations, a panel of facilitators to help file patent and intellectual property rights applications, tax exemptions for seed funding with capital gains and three year holiday on income tax as well as a Rs. 10,000 crore some financing support through a fund of funds for four years the Department of Industrial Policy and Promotion has defined start-up — “An Entity, Incorporated or Registered in India not prior to five years, with annual turnover not exceeding Rs. 25 crore in any preceding financial year, for working towards innovation, development, deployment or commercialization of new products, processes or services driven by technology or intellectual property.”

Mentoring

Doing a startup is good and often a alone journey. We can have co-creators ,but we may not necessarily possess the business to go for succeed. Have brilliant idea is different from making that idea a business success. For a startup, it is very important to have mentors who have with the thought with a similar process of starting or have business experience. A great teacher is often what separates success from failure by providing valuable ideas. However, there is no formal technique to create startups in the country. Every condition that happens is on an ad-hoc basis. A startup wish raised funds can be better for the investors those who are mentoring, but honest, unbiased, good business creators are very far away and few in between. For startups finding a good mentor is often an hard task.

Government Policies

Government is the single largest system for the entrepreneurial Ecosystem. Government's role in every case of doing business and helping companies start is vital to sure by success. The latest World Bank Ease of Doing Business (out of 189 economies) ranks our India at 142 where starting a business rank for the country is even lower at 158. It is very



Anupama Tripathi

Research Scholar,
Deptt. of Commerce,
Jayoti Vidyapeeth Women's
University,
Jaipur, Rajasthan, India

difficult to start a business in India and typical laws and regulations means to take about 30 days to get compared to just 9 days in OECD countries. The government's role has been limited to giving grants and loans, but without an effective, enabling environment is far away from target for this regard it will be interesting to see about the recently announced Startup Fund in this year's budget. Startups and succeed, the government has to do a lot of work and understand the importance of entrepreneurship in economic development.

National Skill Development Corporation

The economy is been fix and along with the world economy the days of high growth are long gone. In an under develop economy where no one is sure about demand, for a startup, particularly difficult to make correct prediction on the number of workers needed. However it , is the minor problem where the biggest issue about finding skilled manpower. India's skilling need is so high that National Skill Development Corporation (NSDC) has been mandated to skill 150 million Indians by 2022. For Startup, particularly difficult to attract and hire talent and skilled workers. A startup often will not match the salaries drawn at larger companies nor is a job at a startup seen as a steady one. This means startups face severe hiring challenges and at times to have settle for the next best alternative. First generation entrepreneurs across the country are works for the government's efforts to Recognize their business concerns under the banner of Start-Up India, but the most challenges are for funding, patents and creation of intellectual property rights.

It will be noted that 90 per cent of funding, at present time, comes from foreign venture capitals and domestic financiers will change the nature of new ideas as well. A recent study by Grant Thornton revealed states that in 2015 more than 600 number companies will get fund, with over \$2 billion deployed by PE and VC funds. In fact, the Rs 10,000-crore fund of funds that would start with an initial Rs. 2,500 crore would be a dip in the ocean given the large potential of the sector and the huge number of companies.

Patents Right

Startup India is having a long process of registration of patents and with the lack of incentives for research and development is another major problem of it from which according to many reason why most of the start-ups prefer to be domiciled abroad. When I have tried to get patents registered in the US and Singapore but i have not been able to get so in India till date This intent of the government is good and a lot have been done but not everything that was demanded has been given Software Systems is stressing that more could be done for R&D that will also helpful in patenting. According to government record as many as 2,46,495 pendency in patent applications and 5,32,682 trademark applications were pending as on November 1, 2015.

Taxation Policy Framework

All Industry has also called for clear definition of digital products and services from a taxation point of view. It is essential that We cannot have a long list of intangibles in our balance sheet. There has to be

an acknowledgement that IT products are being created. As a start, the Centre has extended capital gain tax exemption for investment in newly formed manufacturing ,MSMEs by individuals to all start-ups and has promised for investment in computer or computer software would also be considered as purchase of 'new assets' to promote technology. It is of common knowledge that a lot of VC and angel investors from India and abroad are actively investing in Indian startups. Over \$3.84 billion was pumped into the ecosystem in the third quarter of 2015 itself. we have observed that inspite having raised good investments as many startups struggle to survive the competition and eventually forced to shut down their businesses. We recently got a chance to meet a number of Indian entrepreneurs to all across sectors at Startup India Rocks, a two-day conference organized by Scaale in Goa on the 7th & 8th of October. It was a good chance to hold direct with startup founders and maintain a deeper understanding of the features of ecosystem, the common challenges faced by startups and a few more insights that will help one to get the fundamentals of running business correct. It is extremely important to find out that to resolve the factors that preventing growth and sustainability of startups in our country startups.

Right Talent Acquisition

India is known as Affordable pool of talent, especially when comes to technology. when one is starting up, Talent Acquisition Becomes a Painful Event, given that nobody and everyone is flexible enough to work in a startup. Upon being asked about the major deterrents on Indian startups path to a faster growth, see a lot of roadblocks actually. One is about the fear of failure. If Affordable talent, and the right time for the required talent is another challenge.

Failure to Mitigate the Gap between Burn Rate and Revenue

It has been observed that once popular food delivery startups, are now running low on cash. Amidst the growing competition, It becomes operative for startups to scale up fast, and this is where external funding comes in. Startups and Investors go hand in hand with several Internet companies putting delay in efforts for revenue generation and focusing more on raising good amount of investment. When fundraising comes to a end troubles starts. Taking an example of Local businessman which shut its operations a couple of days before and Many time, we observe that as soon as a startup gets funded, it loses its effective approach to the burn rate and goes highways.

Lack of proper guidance and mentorship

Is one of the biggest problems that exists in the Indian startup ecosystem,. He is of the opinion that the current startup ecosystem consists of a lot of young talent coming out with some very presentable ideas. These ideas have enough fuel in them to regulate most of these start-ups to great heights. But one of the biggest factors that slows the growth of these companies, is the poor quality of mentorship they get. Most of the organizations are good with their ideas and products, but have little or no industry, business and market experience to effectively get

their products out. companies are not only capturing the markets faster and have the first moved advantage, but we can also help them in strategizing each of their steps from a more experiential start point. Plus, a mentor brings with him/her, a big professional network that can be a huge bonus for the entrepreneurs. One of the best ways to find a good mentor is to be networking all the time by Meeting some new people, and take part in the start-up based networking events are discussed about the industry and ideas to improving and learning about their respective stages.

Lack of a Good Branding Strategy

Absence of an effective branding strategy is another issue that bears startups from flourishing. Giving insights into the subject that branding is one of those areas in a business that demands complete attention. If we have a question of affordability, many startups struggle to build a good branding strategy for their businesses "Branding has to be a commitment almost like a spiritual commitment for entrepreneurs looking at pacing up their product's long term commercial success. Branding starts at the same time as the business does it's like a baby being born and given a name so that people can identify it with that name.

Fragmented Market and the Dearth of Domain Knowledge

The largely unorganized and fragmented market in India stands as one of the biggest hurdles for startups on their way to success, India is of the opinion that before taking into any business, one must cultivate a strong culture of knowledge. Consumer behaviour changes every 30 km in India, which makes it a highly complex, diverse and unorganized market opinions that is very easy for startups to get capital these days. However, what is not easy is building a strategy to move ahead and capture the larger market. Only a few of them have managed to spread their steps across the country. Most of them usually get indulge in stagnancy and commonly shut down.

Infrastructure Deficit

One of the major idea and business model is a common tendency that startups in India need to get rid of questions Indian startups infatuation with Silicon Valley models. we stated that most of the business models have been reflected from the West. Hence, few are profitable despite of raising fortune. One we must understand that is a very different scenario. And we should build our models based on our market. India has a huge potential given that most of the market is still unbreakable due to the lack of internet penetration in rural and suburban areas have to ought to the issue of affordability and infrastructure deficit

Struggle to Reinvent Constantly

Customers today are very adaptable to change. The biggest challenge is need to constantly reinvent and come up with a service to be able to match up customer expectations that we can said that we would like to add that this roadblock that could converted into a big opportunity. As certain service provided by earlier applications have become pre requisite for customers today. So we need to be provide something over and above constantly. It's all

about providing the fantastic factor. Startups are significant. They are the new in business sphere. We play a critical role in development of a country. Growing market, favorable funding, and technology has really made the startup ecosystem take off. We would have thought some years ago that Filters right, filters could make as Instagram is so popular or we could call cleaners to have everything in between at doorsteps with a mere touch of a button. Startups are nothing but an idea that min frame into a commercial undertaking. The growing number of startups in India is certainly not an elapsing trend and is here to stay. In Every country has its own set challenges in terms of government policies, permissions, raising capital, competition, unforeseen challenges,

Challenges faced by startups in India

To get right talent

Hiring is right talent for our startup can be quite an uphill task. To find and hire the right kind of talent for the business with effective skills to match growing customer expectations is one of the biggest challenges. With low salaries in comparison with other corporate hiring skilled manpower may not be possible and so we may have to settled for the next best option. We may have to convince people to join the best option.

Adequate Capital Requirement

Investors and startups go hand to hand. Sometimes the investor's response to a startups ecosystem can be failed. Scaling is practical in case of a startup and scaling comes from capital. The challenge is not to generate enough seed capital but also to support in expansion and sustenance and maintenance of startup. It is critical to plan our finances in advance. In all factors the elements and set a budget, try to maintain this as much as possible to be on a track and to Set a specific budget for Public relations and marketing with advertising. In the end, it is important to remember that external capital will only give the necessary push to our business, it cannot run the business, hence focus on creating value and solving the problem of the people

Lack of infrastructure support

It is a little tolerance for failure in our country. Our focus is still on getting reputed jobs in a popular company. It s an complement to infrastructural support such as arranging and funding are not easy to find in India. Irregular power supply, telephone reception network, etc. can be a obstacles to the growth of any business. Corruption free environment, friendly regulations, good connectivity, healthy environment, effective logistic support, can help a great deal in attracting investor in the country.

Lack of mentorship

Young entrepreneurs usually have unique ideas but they have lack of experience. A brilliant idea works only if executed properly. Industry insights, market knowledge, business experience is important to get that idea. Mere ideas cannot regulate startups. Additionally mentors are tagged by a network system that we can get great development contacts and expand our existing business network.

Learning by mistakes

When economies can be influence, mistakes in a startup environment is inevitable manner. The idea is to learn from mistakes and take quick actions to at a some serious problems. Create a big team and work in cohesion with the stakeholders. we make no mistakes. We get them as area of opportunity we learn from them and ascertain they are not repeated in near future. In fact, each mistake provides us further learning which acts as a stepping stones to success.

Conclusion

At times aggression may complete our focus on mere valuations at the cost of value. For long term success of an enterprise, and for key focus should be provide value in terms of product, services, after sales, etc. Value based service will inevitable with valuations. Focus should be on providing convenience and solution to the customers. Role of making Indian economy effective startup india play a vital role to get the highest edges for comprehensive progress for country at present and future.

Reference

- G.S. Mongia, R.K. Sinha, Nationalisation of Banks Retrospect and Prospects*
R.V. Kulkarni, B.L. Desai, Knowledge based system on Banking Sector
I.V. Trivedi, Indian Banking in the new millennium
M.P. Jaiswal, Anjali Kaushik, e-CRM-Business System frontiers
DR. C.S. Rayudu –E-Commerce, E-Business
E-Commerce-S.Pankaj